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Form 990-PF



Department of the Treasury
Internal Revenue Service

Return of Private Foundation

or Section 4947(a)(1) Trust Treated as Private Foundation

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▶ Information about Form 990-PF and its instructions is at www.irs.gov/form990pf.

OMB No 1545-0052












2013

Open to Public Inspection

For calendar year 2013, or tax year beginning 05-01-2013 , and ending 04-30-2014

Name of foundation Liberty Fund Inc		A Employer identification number 35-1320021	
% SANDRA J SCHALLER		B Telephone number (see instructions) (317) 842-0880	
Number and street (or P O box number if mail is not delivered to street address) 8335 Allison Pointe Trail Suite 300		Room/suite	
City or town, state or province, country, and ZIP or foreign postal code Indianapolis, IN 46250		C If exemption application is pending, check here ▶ <input type="checkbox"/>	
G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here ▶ <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation ▶ <input type="checkbox"/>	
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ <input type="checkbox"/>	
I Fair market value of all assets at end of year (from Part II, col. (c), line 16)▶ \$ 331,596,423		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ <input type="checkbox"/>	
J Accounting method <input type="checkbox"/> Cash <input type="checkbox"/> Accrual <input checked="" type="checkbox"/> Other (specify) <u>MODIFIED CASH</u> (Part I, column (d) must be on cash basis.)			

Part I Analysis of Revenue and Expenses <i>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))</i>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)	2,110			
	2 Check ▶ <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	2,216	2,216	2,216	
	4 Dividends and interest from securities.	6,558,761	6,631,730	6,631,730	
	5a Gross rents				
	b Net rental income or (loss) _____				
	6a Net gain or (loss) from sale of assets not on line 10	34,461,861			
	b Gross sales price for all assets on line 6 a 270,095,380				
	7 Capital gain net income (from Part IV , line 2)		36,844,332		
	8 Net short-term capital gain			10,095,759	
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)	 435,129	333,136	768,265	
	12 Total. Add lines 1 through 11	41,460,077	43,811,414	17,497,970	
	13 Compensation of officers, directors, trustees, etc	2,681,754	45,017	45,017	2,636,737
	14 Other employee salaries and wages	3,303,573			3,303,573
	15 Pension plans, employee benefits	1,519,353	1,899	1,899	1,517,454
	16a Legal fees (attach schedule)	 118,947	11,895	11,895	107,053
	b Accounting fees (attach schedule)	 68,000	4,760	6,800	61,200
	c Other professional fees (attach schedule)	 5,114,383	1,780,448	1,780,448	3,333,935
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	 0	91,755	91,755	0
	19 Depreciation (attach schedule) and depletion	 33,552	503	503	
	20 Occupancy	1,843,452	22,585	22,585	1,820,867
	21 Travel, conferences, and meetings	5,164,610	9,174	9,174	5,155,435
	22 Printing and publications	1,638,362	6	435,090	1,203,271
	23 Other expenses (attach schedule)	 708,126	83,095	83,095	698,098
	24 Total operating and administrative expenses. Add lines 13 through 23	22,194,112	2,051,137	2,488,261	19,837,623
	25 Contributions, gifts, grants paid	10,000			10,000
	26 Total expenses and disbursements. Add lines 24 and 25	22,204,112	2,051,137	2,488,261	19,847,623
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	19,255,965			
	b Net investment income (if negative, enter -0-)		41,760,277		
	c Adjusted net income (if negative, enter -0-)			15,009,709	

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)			Beginning of year	End of year	
					(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing			57,743	36,112	36,112
	2	Savings and temporary cash investments			8,531,659	4,288,119	4,288,119
	3	Accounts receivable ▶ _____ Less allowance for doubtful accounts ▶ _____					
	4	Pledges receivable ▶ _____ Less allowance for doubtful accounts ▶ _____					
	5	Grants receivable					
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)					
	7	Other notes and loans receivable (attach schedule) ▶ _____ Less allowance for doubtful accounts ▶ _____					
	8	Inventories for sale or use					
	9	Prepaid expenses and deferred charges			38,357	185,759	185,759
	10a	Investments—U S and state government obligations (attach schedule)					
	b	Investments—corporate stock (attach schedule)			202,810,680	 239,724,236	280,931,833
	c	Investments—corporate bonds (attach schedule).			58,251,873	 44,786,342	45,071,276
	11	Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____					
	12	Investments—mortgage loans					
	13	Investments—other (attach schedule)			579,559	 516,127	517,030
	14	Land, buildings, and equipment basis ▶ _____ 4,086,606 Less accumulated depreciation (attach schedule) ▶ 4,030,777			70,932	 55,829	55,829
Liabilities	15	Other assets (describe ▶ _____)			 164,558	 164,557	 510,465
	16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)			270,505,361	289,757,081	331,596,423
	17	Accounts payable and accrued expenses					
	18	Grants payable					
	19	Deferred revenue					
	20	Loans from officers, directors, trustees, and other disqualified persons					
	21	Mortgages and other notes payable (attach schedule)					
Net Assets or Fund Balances	22	Other liabilities (describe ▶ _____)			 9,974	 5,729	
	23	Total liabilities (add lines 17 through 22)			9,974	5,729	
		Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted			270,495,387	289,751,352	
	25	Temporarily restricted					
	26	Permanently restricted					
		Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds					
	28	Paid-in or capital surplus, or land, bldg , and equipment fund					
	29	Retained earnings, accumulated income, endowment, or other funds					
	30	Total net assets or fund balances (see page 17 of the instructions)			270,495,387	289,751,352	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)			270,505,361	289,757,081	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year’s return)	1	270,495,387
2	Enter amount from Part I, line 27a	2	19,255,965
3	Other increases not included in line 2 (itemize) ▶ _____	3	
4	Add lines 1, 2, and 3	4	289,751,352
5	Decreases not included in line 2 (itemize) ▶ _____	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	289,751,352

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1 a	PUBLICALLY TRADED SECURITIES			
b	WTC OPPORTUNISTIC EQUITY			
c	WTC GLOBAL CONTRARIAN			
d	EXCELSIOR VENTURE PARTNERS III			
e				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 270,095,380		235,633,519	34,461,861
b 1,916,904		0	1,916,904
c 714,174		0	714,174
d 0		248,607	-248,607
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(I) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			34,461,861
b			1,916,904
c			714,174
d			-248,607
e			

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	36,844,332
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8		3	10,095,759

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☐ No

If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2012			
2011			
2010			
2009			
2008			

2 Total of line 1, column (d).	2	
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	
4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5.	4	
5 Multiply line 4 by line 3.	5	
6 Enter 1% of net investment income (1% of Part I, line 27b).	6	
7 Add lines 5 and 6.	7	
8 Enter qualifying distributions from Part XII, line 4.	8	










If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See
the Part VI instructions

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)			
1a Exempt operating foundations described in section 4940(d)(2), check here <input checked="" type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter <u>1989-02-16</u> (attach copy of letter if necessary—see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	N/A
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	
3 Add lines 1 and 2.		3	0
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	0
6 Credits/Payments			
a 2013 estimated tax payments and 2012 overpayment credited to 2013	6a		
b Exempt foreign organizations—tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d.		7	0
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached.		8	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed		9	0
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid		10	
11 Enter the amount of line 10 to be Credited to 2014 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>		11	

Part VII-A Statements Regarding Activities				
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		1a	Yes	No
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		1b		No
c Did the foundation file Form 1120-POL for this year?		1c		No
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input type="checkbox"/> \$ <u>0</u> (2) On foundation managers <input type="checkbox"/> \$ <u>0</u>				
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ <u>0</u>				
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		2		No
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		3	Yes	
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		4a	Yes	
b If "Yes," has it filed a tax return on Form 990-T for this year?		4b	Yes	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		5		No
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?		6	Yes	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV.</i>		7	Yes	
8a Enter the states to which the foundation reports or with which it is registered (see instructions): <input type="checkbox"/> IN _____				
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation.</i>		8b	Yes	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>		9	Yes	
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses.</i>		10		No




Part VII-A

Statements Regarding Activities *(continued)*

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions) 	11	Yes					
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		No				
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address  <u>www.libertyfund.org</u>	13	Yes					
14	The books are in care of  <u>SANDRA J SCHALLER</u> Telephone no  <u>(317) 842-0880</u> Located at  <u>8335 ALLISON POINTE TRAIL STE 300 INDIANAPOLIS IN</u> ZIP +4  <u>46250</u>							
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —Check here  <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year  <table><tr><td>15</td><td></td></tr></table>	15						
15								
16	At any time during calendar year 2013, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes", enter the name of the foreign country 	16	<table><tr><td>Yes</td><td>No</td></tr><tr><td></td><td>No</td></tr></table>	Yes	No		No	
Yes	No							
	No							

Part VII-B

Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			Yes	No
1a	During the year did the foundation (either directly or indirectly) (1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?. . . Organizations relying on a current notice regarding disaster assistance check here.  <input type="checkbox"/>	1b		No
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2013?.	1c		No
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013?. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years  20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions).	2b		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here  20____, 20____, 20____, 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
b	If "Yes," did it have excess business holdings in 2013 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (<i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2013.</i>).	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2013?	4b		No

Part VII-B

Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a

During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions).

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No

b

If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5b

Organizations relying on a current notice regarding disaster assistance check here.

☒

c

If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945–5(d).

6a

Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

b

Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

6b

No

If "Yes" to 6b, file Form 8870.

7a

At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b

If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

7b

Part VIII

Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1

List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Additional Data Table				

2

Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
JAMES F COTE	DIR OF INFO	165,200	44,256	0
8335 ALLISON POINTE TR 300 INDIANAPOLIS,IN 46250	SYSTEMS 40 0			
DAVID M HART	DIR ONLINE LIBRARY	143,300	47,084	0
8335 ALLISON POINTE TR 300 INDIANAPOLIS,IN 46250	40 0			
HANS L EICHOLZ	SR FELLOW	140,826	45,929	0
8335 ALLISON POINTE TR 300 INDIANAPOLIS,IN 46250	40 0			
STEVEN D EALY	SR FELLOW	139,732	48,831	0
8335 ALLISON POINTE TR 300 INDIANAPOLIS,IN 46250	40 0			
CHRISTINE D HENDERSON	SR FELLOW	133,006	35,824	0
8335 ALLISON POINTE TR 300 INDIANAPOLIS,IN 46250	40 0			
Total number of other employees paid over \$50,000.				28

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Part VIII

Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE".		
(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
WELLINGTON MANAGEMENT COMPANY LLC	INV MANAGEMENT	198,934
280 CONGRESS ST BOSTON,MA 02210		
WARE-PAK LLC	FULFILLMENT SERVICES	165,674
2427 BOND ST UNIVERSITY PARK,IL 60466		
WALTER LEE DAVIS STUDIOS	OUTSIDE CONSULTANT	123,750
7530 MOUNTAIN AVE MELROSE PARK,PA 19027		
FAEGRE BAKER DANIELS LLP	LEGAL SERVICES	119,669
300 N MERIDIAN ST STE 2700 INDIANAPOLIS,IN 46204		
LAUREN LANDSBURG	OUTSIDE CONSULTANT	103,365
35 COMMONWEALTH RD ROCHESTER,NY 14618		
Total number of others receiving over \$50,000 for professional services.		3

Part IX-A

Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 LIBERTY FUND COLLOQUIA AND SYMPOSIUMS - SEE ATTACHMENT	6,766,482
2 CO-SPONSORED PROGRAMS - SEE ATTACHMENT	3,573,902
3 LIBERTY FUND PUBLISHING - SEE ATTACHMENT	2,842,354
4 LIBERTY FUND WEBSITES - SEE ATTACHMENT	1,086,831

Part IX-B

Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments. See page 24 of the instructions.	
3	
Total. Add lines 1 through 3.	

Part X

Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities.	1a	318,526,165
b	Average of monthly cash balances.	1b	685,704
c	Fair market value of all other assets (see instructions).	1c	571,764
d	Total (add lines 1a, b, and c).	1d	319,783,633
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation).	1e	
2	Acquisition indebtedness applicable to line 1 assets.	2	0
3	Subtract line 2 from line 1d.	3	319,783,633
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	4,796,754
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	314,986,879
6	Minimum investment return. Enter 5% of line 5.	6	15,749,344

Part XI

Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☒ and do not complete this part.)

1	Minimum investment return from Part X, line 6.	1	
2a	Tax on investment income for 2013 from Part VI, line 5.	2a	
b	Income tax for 2013 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	
6	Deduction from distributable amount (see instructions).	6	
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1.	7	

Part XII

Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26.	1a	19,847,623
b	Program-related investments—total from Part IX-B.	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes.	2	18,170
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required).	3a	0
b	Cash distribution test (attach the required schedule).	3b	0
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	19,865,793
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions).	5	
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	19,865,793
Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years			

Part XIII

Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2012	(c) 2012	(d) 2013
1	Distributable amount for 2013 from Part XI, line 7			
2	Undistributed income, if any, as of the end of 2013			
a	Enter amount for 2012 only.			
b	Total for prior years 20____, 20____, 20____			
3	Excess distributions carryover, if any, to 2013			
a	From 2008.			
b	From 2009.			
c	From 2010.			
d	From 2011.			
e	From 2012.			
f	Total of lines 3a through e.			
4	Qualifying distributions for 2013 from Part XII, line 4 ▶ \$ _____			
a	Applied to 2012, but not more than line 2a			
b	Applied to undistributed income of prior years (Election required—see instructions).			
c	Treated as distributions out of corpus (Election required—see instructions).			
d	Applied to 2013 distributable amount.			
e	Remaining amount distributed out of corpus			
5	Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a).)			
6	Enter the net total of each column as indicated below:			
a	Corpus Add lines 3f, 4c, and 4e Subtract line 5			
b	Prior years' undistributed income Subtract line 4b from line 2b.			
c	Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.			
d	Subtract line 6c from line 6b Taxable amount—see instructions			
e	Undistributed income for 2012 Subtract line 4a from line 2a Taxable amount—see instructions			
f	Undistributed income for 2013 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2014			
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions).			
8	Excess distributions carryover from 2008 not applied on line 5 or line 7 (see instructions). . . .			
9	Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a			
10	Analysis of line 9			
a	Excess from 2009.			
b	Excess from 2010.			
c	Excess from 2011.			
d	Excess from 2012.			
e	Excess from 2013.			

Part XIV

Private Operating Foundations (see instructions and Part VII-A, question 9)

1a

If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2013, enter the date of the ruling.

1989-02-16

b

Check box to indicate whether the organization is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

☒ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2013	(b) 2012	(c) 2011	(d) 2010	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	15,009,709	5,240,338	2,606,542	10,457,166	33,313,755
b 85% of line 2a	12,758,253	4,454,287	2,215,561	8,888,591	28,316,692
c Qualifying distributions from Part XII, line 4 for each year listed	19,865,793	20,005,212	19,752,354	19,805,644	79,429,003
d Amounts included in line 2c not used directly for active conduct of exempt activities	10,000	31,000		20,000	61,000
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c	19,855,793	19,974,212	19,752,354	19,785,644	79,368,003
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter					
(1) Value of all assets	331,596,423	309,580,121	299,749,030	327,036,908	1,267,962,482
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed.	10,499,563	9,745,329	9,746,744	9,851,878	39,843,514
c "Support" alternative test—enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii).					0
(3) Largest amount of support from an exempt organization					0
(4) Gross investment income					0

Part XV

Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year—see instructions.)

1

Information Regarding Foundation Managers:

a

List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))

NONE

b

List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

NONE

2

Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a

The name, address, and telephone number of the person to whom applications should be addressed

b

The form in which applications should be submitted and information and materials they should include

c

Any submission deadlines

d

Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Form **990-PF** (2013)

Enter gross amounts unless otherwise indicated

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Form **990-PF** (2013)

Form 990PF Part VIII Line 1 - List all officers, directors, trustees, foundation managers and their compensation

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
TERRY W ANKER	DIRECTOR 5 0	43,900	543	7,818
8335 Allison Pointe Trail 300 Indianapolis, IN 46250				
GEORGE W CAREY RESIGNED MAY 2013	DIRECTOR 5 0	3,000	134	0
8335 Allison Pointe Trail 300 Indianapolis, IN 46250				
ROSEDA D DECKER	DIRECTOR EMERITUS 5 0	36,000	0	0
8335 Allison Pointe Trail 300 Indianapolis, IN 46250				
DOUGLAS J DEN UYL	VP OF EDUCATIONAL PROGRAMS 40 0	255,000	68,357	0
8335 Allison Pointe Trail 300 Indianapolis, IN 46250				
RICHARD W DUESENBERG	DIRECTOR 5 0	39,000	802	0
8335 Allison Pointe Trail 300 Indianapolis, IN 46250				
PATRICIA A GALLAGHER	VP OF PUBLISHING 40 0	162,470	47,845	0
8335 Allison Pointe Trail 300 Indianapolis, IN 46250				
GIANCARLO Ibrgen S	DIRECTOR 5 0	38,500	543	0
8335 Allison Pointe Trail 300 Indianapolis, IN 46250				
JOSEPH F JOHNSTON	DIRECTOR 5 0	39,000	802	0
8335 Allison Pointe Trail 300 Indianapolis, IN 46250				
LEONARD P LIGGIO	DIRECTOR 5 0	38,500	802	0
8335 Allison Pointe Trail 300 Indianapolis, IN 46250				
THEODORE R MALLOCH MAY 13-FEB 14	DIRECTOR 5 0	38,400	452	0
8335 Allison Pointe Trail 300 Indianapolis, IN 46250				
MARY A O'GRADY	DIRECTOR 5 0	39,000	543	0
8335 Allison Pointe Trail 300 Indianapolis, IN 46250				
EMILIO J PACHECO	EXECUTIVE VICE PRESIDENT & COO 40 0	310,287	59,642	0
8335 Allison Pointe Trail 300 Indianapolis, IN 46250				
BEN A RAST	DIRECTOR 5 0	39,000	543	0
8335 Allison Pointe Trail 300 Indianapolis, IN 46250				
T ALAN RUSSELL	DIRECTOR AND CHAIRMAN 40 0	413,649	833	0
8335 Allison Pointe Trail 300 Indianapolis, IN 46250				
SANDRA J SCHALLER	VP & CONTROLLER, TREASURER 40 0	202,827	56,552	0
8335 Allison Pointe Trail 300 Indianapolis, IN 46250				
JOANNE W SHEPLER	ASST SEC, ADMIN SVCS & HR MGR 40 0	91,910	32,249	0
8335 Allison Pointe Trail 300 Indianapolis, IN 46250				
DANE STARBUCK	DIRECTOR 5 0	39,000	543	1,829
8335 Allison Pointe Trail 300 Indianapolis, IN 46250				
CHRIS L TALLEY	DIRECTOR, PRESIDENT & CEO 40 0	460,379	75,100	0
8335 Allison Pointe Trail 300 Indianapolis, IN 46250				
RICHARD A WARE	DIRECTOR EMERITUS 5 0	36,000	0	0
8335 Allison Pointe Trail 300 Indianapolis, IN 46250				

TY 2013 Accounting Fees Schedule

Name: Liberty Fund Inc

EIN: 35-1320021

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
AUDIT & TAX PREPARATION FEES	68,000	4,760	6,800	61,200

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2013 Depreciation Schedule

Name: Liberty Fund Inc

EIN: 35-1320021

Description of Property	Date Acquired	Cost or Other Basis	Prior Years' Depreciation	Computation Method	Rate / Life (# of years)	Current Year's Depreciation Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included
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TY 2013 General Explanation Attachment**Name:** Liberty Fund Inc**EIN:** 35-1320021

Identifier	Return Reference	Explanation
DEPRECIATION DISCLOSURE	PART I, LINE 19 AND PART II, LINE 14	LIBERTY FUND, INC E I #35-1320021 A STATEMENT ATTACHED TO AND MADE PART OF U S PRIVATE FOUNDATION INCOME TAX RETURN FOR THE YEAR ENDED APRIL 30, 2014 PART I, LINE 19 - DEPRECIATION PART II, LINE 14 - LAND, BUILDINGS, AND EQUIPMENT LEASEHOLD IMPROVEMENTS - 1,993,358 OFFICE FURNITURE - 1,623,302 EQUIPMENT AND OTHER - 469,946 LESS ACCUMULATED DEPRECIATION - (4,030,777) NET FIXED ASSETS - 55,829 DEPRECIATION EXPENSE - 33,552 DEPRECIATION CALCULATED USING THE STRAIGHT-LINE METHOD

Identifier	Return Reference	Explanation
PAYMENT TO A GOVERNMENT OFFICIAL	PART VII-B, LINE 1A-6	PAYMENTS TO A DISQUALIFIED PERSON WERE MADE WITHIN THE EXCEPTION FOR REASONABLE PAYMENTS AS PROVIDED FOR UNDER REGULATION SECTION 53.4941(D)-3. THE LIBERTY FUND UNKNOWNLY PAID \$500 HONORARIUM TO GOVERNMENT OFFICIAL. WHEN DISCOVERED, GOVERNMENT OFFICIAL PROMPTLY RETURNED PAYMENT TO LIBERTY FUND. THE PAYMENT WAS MADE ON 3/27/14, AND RETURNED ON 5/18/14. THE EXCEPTION PROVIDED UNDER INTERNAL REVENUE CODE 4941(A)(1) APPLIES TO THIS TRANSACTION.

Identifier	Return Reference	Explanation
SUMMARY OF DIRECT CHARITABLE ACTIVITIES	PART IX-A	<p>LIBERTY FUND COLLOQUIA AND SYMPOSIUMS 91 COLLOQUIUM AND SYMPOSIUMS WERE DEVELOPED AND CONDUCTED IN THE UNITED STATES, CANADA, LATIN AMERICA, AND EUROPE COLLOQUIUM AND SYMPOSIUMS ARE TO FOSTER THOUGHT AND ENCOURAGE DISCOURSE ON ENDURING ISSUES PERTAINING TO LIBERTY CO-SPONSORED PROGRAMS LIBERTY FUND ADMINISTERED CO-SPONSORED PROGRAMS WITH SIXTEEN OTHER NON-PROFIT ORGANIZATIONS WITH SIMILAR EDUCATIONAL AND PUBLIC PURPOSES LIBERTY FUND AND THE CO-SPONSORS HAVE JOINT OR SHARED RESPONSIBILITIES OVER PLANNING, DEVELOPING, COORDINATING, CONDUCTING, AND EVALUATING THE CONFERENCE PROGRAMS HELD AS WITH THE LIBERTY FUND COLLOQUIA AND SYMPOSIUMS, THE CO-SPONSORED PROGRAMS ARE TO FOSTER THOUGHT AND ENCOURAGE DISCOURSE ON ENDURING ISSUES PERTAINING TO LIBERTY LIBERTY FUND PUBLISHING LIBERTY FUND PUBLISHED EIGHT TITLES AND CONDUCTED EDITORIAL WORK ON OTHER UPCOMING PUBLICATIONS TITLES SELECTED FOR PUBLISHING ARE THOSE THAT WILL PRESERVE THE WISDOM AND LEARNING OF THE AGES, AND STRENGTHEN, IN PARTICULAR, THE UNDERSTANDING AND APPRECIATION OF INDIVIDUAL LIBERTY AND RESPONSIBILITY TITLES INCLUDE CLASSICS IN THE FIELDS OF HISTORY, POLITICS, PHILOSOPHY, LAW, EDUCATION, AND ECONOMICS LIBERTY FUND WEBSITES THE LIBRARY OF THE CLASSICS OF LIBERTY - HTTP://OLL.LIBERTYFUND.ORG - IS A WEBSITE DEDICATED TO MAKING THE CLASSIC TEXTS WHICH CONTRIBUTED TO OUR MODERN UNDERSTANDING OF THE NATURE OF LIMITED GOVERNMENT, INDIVIDUAL LIBERTY, AND THE FREE MARKET MORE ACCESSIBLE TO SCHOLARS, STUDENTS AND OTHER INTERESTED INDIVIDUALS THE LIBRARY OF ECONOMICS AND LIBERTY - WWW.ECONLIB.ORG - IS A WEBSITE DEDICATED TO ADVANCING THE STUDY OF ECONOMICS, MARKETS, AND LIBERTY THE LIBRARY OF LAW AND LIBERTY - WWW.LIBERTYLAWSITE.ORG - IS A WEBSITE DEDICATED TO THE CONTENT, STATUS, AND DEVELOPMENT OF LAW IN THE CONTEXT OF REPUBLICAN AND LIMITED GOVERNMENT AND THE WAYS THAT LIBERTY AND LAW AND LAW AND LIBERTY MUTUALLY REINFORCE THE OTHER</p>

**TY 2013 Investments Corporate
Bonds Schedule****Name:** Liberty Fund Inc**EIN:** 35-1320021

Name of Bond	End of Year Book Value	End of Year Fair Market Value
CORPORATE BONDS	44,786,342	45,071,276

**TY 2013 Investments Corporate
Stock Schedule****Name:** Liberty Fund Inc**EIN:** 35-1320021

Name of Stock	End of Year Book Value	End of Year Fair Market Value
CORPORATE STOCK	239,724,236	280,931,833

TY 2013 Investments - Land Schedule**Name:** Liberty Fund Inc**EIN:** 35-1320021

TY 2013 Investments - Other Schedule

Name: Liberty Fund Inc

EIN: 35-1320021

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
MORTGAGE BACKED AND OTHER	FMV	516,127	517,030
ASSET BACKED SECURITIES			

TY 2013 Land, Etc. Schedule**Name:** Liberty Fund Inc**EIN:** 35-1320021

TY 2013 Legal Fees Schedule

Name: Liberty Fund Inc

EIN: 35-1320021

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
LEGAL CONSULTING FEES	118,947	11,895	11,895	107,053

TY 2013 Other Assets Schedule

Name: Liberty Fund Inc

EIN: 35-1320021

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
ART COLLECTION	164,558	164,557	510,465

TY 2013 Other Expenses Schedule**Name:** Liberty Fund Inc**EIN:** 35-1320021

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INSURANCE	117,232	147	147	117,085
ADMINISTRATIVE EXPENSES	417,758	18	18	417,740
EQUIPMENT LEASING	30,144	452	452	29,692
EDUCATIONAL MATERIALS	93,492	9,349	9,349	84,143
PASS THROUGH PARTNERSHIP		73,068	73,068	0
MISCELLANEOUS EXPENSES	49,500	61	61	49,438

TY 2013 Other Income Schedule

Name: Liberty Fund Inc

EIN: 35-1320021

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
BOOK AND FILM SALES	435,129		435,129
PASSTHROUGH PARTNERSHIP INCOME		333,136	333,136

TY 2013 Other Liabilities Schedule

Name: Liberty Fund Inc

EIN: 35-1320021

Description	Beginning of Year - Book Value	End of Year - Book Value
OTHER LIABILITIES	9,974	5,729

TY 2013 Other Professional Fees Schedule**Name:** Liberty Fund Inc**EIN:** 35-1320021

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT MANAGEMENT FEES	1,780,368	1,780,368	1,780,368	
CONFERENCE FEES	2,799,355			2,799,355
WEBSITE DEVELOPMENT FEES	471,215			471,215
OTHER PROFESSIONAL FEES	63,445	80	80	63,365

TY 2013 Taxes Schedule**Name:** Liberty Fund Inc**EIN:** 35-1320021

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FOREIGN TAXES PAID	0	91,755	91,755	0

TY 2013**TransfersToControlledEntities****Name:** Liberty Fund Inc**EIN:** 35-1320021

Name	US / Foreign Address	EIN	Description	Amount
PIERRE F AND ENID GOODRICH FOUNDATION	8335 ALLISON POINTE TRAIL SUITE 30 INDIANAPOLIS, IN 46250	35-6056960	OPERATING EXPENSES	108,998
THE WINCHESTER FOUNDATION	8335 ALLISON POINTE TRAIL SUITE 30 INDIANAPOLIS, IN 46250	23-7422941	NO TRANSFERS TO REPORT	0
Total				108,998