EXTENDED TO NOVEMBER 16, 2015

Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

▶ Do not enter social security numbers on this form as it may be made public.

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

OMB No 1545-0052

2014

Open to Public Inspection

For calendar year 2014 or tax year beginning , and ending

Name of foundation: STRANAHAN FOUNDATION

A Employer identification number: 34-6514375

Number and street (or P O box number if mail is not delivered to street address): 4169 HOLLAND-SYLVANIA ROAD — Room/suite: 201

B Telephone number: (419) 882-5575

City or town, state or province, country, and ZIP or foreign postal code: TOLEDO, OH 43623

C If exemption application is pending, check here ▶ [ ]

G Check all that apply: [ ] Initial return [ ] Initial return of a former public charity [ ] Final return [ ] Amended return [ ] Address change [ ] Name change

D 1. Foreign organizations, check here ▶ [ ]

2. Foreign organizations meeting the 85% test, check here and attach computation ▶ [ ]

H Check type of organization: [X] Section 501(c)(3) exempt private foundation [ ] Section 4947(a)(1) nonexempt charitable trust [ ] Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ [ ]

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶$ 97,439,084.

J Accounting method: [ ] Cash [ ] Accrual [X] Other (specify) MODIFIED CASH (Part I, column (d) must be on cash basis)

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ [ ]

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)

	Line	(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	0.			
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	22,807.	22,807.		STATEMENT 1
	4 Dividends and interest from securities	1,577,307.	1,577,307.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	1,867,015.			
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		2,344,183.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income	5,379.	91,429.	0.	STATEMENT 3
	12 **Total.** Add lines 1 through 11	3,472,508.	4,035,726.	0.	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	170,128.	25,144.	0.	142,484.
	14 Other employee salaries and wages	178,745.	0.	0.	178,745.
	15 Pension plans, employee benefits	62,282.	4,101.	0.	58,181.
	16a Legal fees STMT 4	13,070.	7,809.	0.	5,261.
	b Accounting fees STMT 5	30,556.	8,079.	0.	18,851.
	c Other professional fees STMT 6	302,764.	226,946.	0.	75,818.
	17 Interest				
	18 Taxes STMT 7	63,877.	-612.	0.	21,567.
	19 Depreciation and depletion	5,865.	4,914.	0.	
	20 Occupancy	30,422.	3,042.	0.	27,432.
	21 Travel, conferences, and meetings	86,811.	2,862.	0.	83,950.
	22 Printing and publications	654.	0.	0.	654.
	23 Other expenses STMT 8	39,419.	4,221.	0.	36,709.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	984,593.	286,506.	0.	649,652.
	25 Contributions, gifts, grants paid	2,763,846.			2,763,988.
	26 **Total expenses and disbursements.** Add lines 24 and 25	3,748,439.	286,506.	0.	3,413,640.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	-275,931.			
	b **Net investment income** (if negative, enter -0-)		3,749,220.		
	c **Adjusted net income** (if negative, enter -0-)			0.	

SCANNED NOV 17 2015

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423501 11-24-14 LHA For Paperwork Reduction Act Notice, see instructions. Form **990-PF** (2014)

Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only

	Description	Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1 Cash - non-interest-bearing	3,960,030.	5,861,735.	5,861,735.
	2 Savings and temporary cash investments	692,955.	1,078,937.	1,078,937.
	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			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	5,000.	31,928.	31,928.
	10a Investments - U.S. and state government obligations STMT 9	1,091,998.	920,239.	920,239.
	b Investments - corporate stock STMT 10	68,781,538.	69,382,189.	69,382,189.
	c Investments - corporate bonds STMT 11	4,824,665.	5,212,343.	5,212,343.
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 12	18,610,057.	14,885,412.	14,885,412.
	14 Land, buildings, and equipment basis ▶ 89,148.			
	Less accumulated depreciation ▶ 74,790.	18,598.	14,358.	14,358.
	15 Other assets (describe ▶ STATEMENT13)	47,995.	51,943.	51,943.
	16 **Total assets** (to be completed by all filers - see the instructions. Also, see page 1, item I)	98,032,836.	97,439,084.	97,439,084.
Liabilities	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			
	22 Other liabilities (describe ▶ STATEMENT14)	4,184.	4,311.	
	23 **Total liabilities** (add lines 17 through 22)	4,184.	4,311.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here** ▶ [X] **and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted	98,028,652.	97,434,773.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ [ ] **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**	98,028,652.	97,434,773.	
	31 **Total liabilities and net assets/fund balances**	98,032,836.	97,439,084.	

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	98,028,652.
2	Enter amount from Part I, line 27a	2	-275,931.
3	Other increases not included in line 2 (itemize) ▶ UNREALIZED GAIN ON INVESTMENTS	3	1,682,052.
4	Add lines 1, 2, and 3	4	99,434,773.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	99,434,773.

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.)
1a	CAPITAL GAINS FROM PUBLICLY TRADED SECURITIES		VARIOUS	VARIOUS
b	CAPITAL GAIN DISTRIBUTION	P	VARIOUS	VARIOUS
c	CAPITAL GAIN FROM PARTNERSHIPS (STATEMENT 3A)	P	VARIOUS	VARIOUS
d				
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				218,588.
b				1,648,427.
c				477,168.
d				
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(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	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a				218,588.
b				1,648,427.
c				477,168.
d				
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	2,344,183.
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). If (loss), enter -0- in Part I, line 8	3	N/A

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 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))
2013	3,906,024.	90,629,331.	.043099
2012	5,339,431.	85,118,892.	.062729
2011	4,806,305.	87,346,006.	.055026
2010	3,030,890.	82,003,333.	.036961
2009	3,844,825.	73,444,756.	.052350

2	**Total** of line 1, column (d)	2	.250165
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	.050033
4	Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	97,737,720.
5	Multiply line 4 by line 3	5	4,890,111.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	37,492.
7	Add lines 5 and 6	7	4,927,603.
8	Enter qualifying distributions from Part XII, line 4	8	5,413,640.

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 instructions)

1a Exempt operating foundations described in section 4940(d)(2), check here ▶ [ ] and enter "N/A" on line 1. Date of ruling or determination letter: ______ (attach copy of letter if necessary-see instructions)				
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b			1	37,492.
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	0.
3 Add lines 1 and 2			3	37,492.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			4	0.
5 **Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-			5	37,492.
6 Credits/Payments:				
a 2014 estimated tax payments and 2013 overpayment credited to 2014	6a	72,668.		
b Exempt foreign organizations - tax withheld at source	6b			
c Tax paid with application for extension of time to file (Form 8868)	6c	15,000.		
d Backup withholding erroneously withheld	6d			
7 Total credits and payments. Add lines 6a through 6d			7	87,668.
8 Enter any **penalty** for underpayment of estimated tax. Check here [ ] 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	
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	50,176.
11 Enter the amount of line 10 to be: **Credited to 2015 estimated tax** ▶	50,176.	**Refunded** ▶	11	0.

Part VII-A Statements Regarding Activities

		Yes	No
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		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)?	1b		X
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.			
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ $ 0. (2) On foundation managers. ▶ $ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		X
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? *If "Yes," attach a conformed copy of the changes*	3	X	
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a	X	
b If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b	X	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		X
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	X	
7 Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ OH			
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? If "No," attach explanation*	8b	X	
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 2014 or the taxable year beginning in 2014 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

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Part VII-A Statements Regarding Activities *(continued)*

			Yes	No
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		X
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		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ WWW.STRANAHANFOUNDATION.ORG

14 The books are in care of ▶ WILLIAM FOSTER Telephone no. ▶ (419) 882-5575

Located at ▶ 4169 HOLLAND-SYLVANIA RD, STE 201, TOLEDO, OH ZIP+4 ▶ 43623

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** - Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A

			Yes	No
16	At any time during calendar year 2014, 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?	16		X
	See the instructions for exceptions and filing requirements for FinCEN Form 114, (formerly TD F 90-22.1). If "Yes," enter the name of the foreign country ▶			

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? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☒ Yes ☐ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ 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)? ☐ Yes ☒ 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.) ☐ Yes ☒ 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 instructions)?	1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
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 2014?	1c		X
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 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? ☐ Yes ☒ No If "Yes," list the years ▶ ____, ____, ____, ____			
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.) N/A	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. ▶ ____, ____, ____, ____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2014 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? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2014.)* N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
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 2014?	4b		X

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 4945(d)(4)(A)? (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)? N/A **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? N/A ☐ 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: X

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? N/A **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.

(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 STATEMENT 15		170,128.	25,692.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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
SUSAN E. MARSH - 4169 HOLLAND -SYLVANIA RD, #201, TOLEDO, OH 43623	EXECUTIVE ASSISTANT 40.00	66,942.	14,174.	0.
PAMELA ROBERTS - 4169 HOLLAND -SYLVANIA RD, #201, TOLEDO, OH 43623	GRANTS MANAGER 30.00	52,580.	10,574.	0.

Total number of other employees paid over $50,000 ▶ 0

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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. If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
ASSET CONSULTING GROUP, LLC - 231 S.BEMISTON, 14TH FLOOR, ST. LOUIS, MO 63105	INVESTMENT ADVISORY	99,461.
EARNEST PARTNERS 1180 PEACHTREE, SUITE 2300, ATLANTA, GA 30309	INVESTMENT ADVISORY	76,219.
LIBERTY SQUARE PARTNERS, LLC - 4149 HOLLAND-SYLVANIA RD, STE #9, TOLEDO, OH 43623	INVESTMENT ADVISORY	61,825.
Total number of others receiving over $50,000 for professional services ▶		0

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 N/A	
2	
3	
4	

Part IX-B **Summary of Program-Related Investments**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 SEE STATEMENT 16	1,000,000.
2 SEE STATEMENT 17	1,000,000.
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3 ▶	2,000,000.

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	94,850,132.
b	Average of monthly cash balances	1b	4,375,980.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	99,226,112.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e 0.		
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	99,226,112.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	1,488,392.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	97,737,720.
6	**Minimum investment return.** Enter 5% of line 5	6	4,886,886.

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	4,886,886.
2a	Tax on investment income for 2014 from Part VI, line 5 — 2a 37,492.		
b	Income tax for 2014. (This does not include the tax from Part VI.) — 2b 878.		
c	Add lines 2a and 2b	2c	38,370.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	4,848,516.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	4,848,516.
6	Deduction from distributable amount (see instructions)	6	0.
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	4,848,516.

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	3,413,640.
b	Program-related investments - total from Part IX-B	1b	2,000,000.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	5,413,640.
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	5	37,492.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	5,376,148.

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 2013	(c) 2013	(d) 2014
1 Distributable amount for 2014 from Part XI, line 7				4,848,516.
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only			774,666.	
b Total for prior years: ___, ___, ___		0.		
3 Excess distributions carryover, if any, to 2014:				
a From 2009				
b From 2010				
c From 2011				
d From 2012				
e From 2013				
f **Total** of lines 3a through e	0.			
4 Qualifying distributions for 2014 from Part XII, line 4: ▶ $ 5,413,640.				
a Applied to 2013, but not more than line 2a			774,666.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2014 distributable amount				4,638,974.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2014 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
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		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2013. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2014. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2015				209,542.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)	0.			
8 Excess distributions carryover from 2009 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2015.** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2010				
b Excess from 2011				
c Excess from 2012				
d Excess from 2013				
e Excess from 2014				

Part XIV | Private Operating Foundations (see instructions and Part VII-A, question 9) N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2014, enter the date of the ruling ▶

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

	Tax year	Prior 3 years			
	(a) 2014	(b) 2013	(c) 2012	(d) 2011	(e) Total
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon: a "Assets" alternative test - enter: (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
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)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV | Supplementary Information (Complete this part only if the foundation 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 or e-mail address of the person to whom applications should be addressed:

SEE STATEMENT 18

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:

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
CHARITABLE CONTRIBUTIONS FROM FLOW-THROUGH ENTITIES				142.
SEE STATEMENT 19				2,763,846.
Total			▶ 3a	2,763,988.
b Approved for future payment				
SEE STATEMENT 19				1,280,536.
Total			▶ 3b	1,280,536.

Form **990-PF** (2014)

423611
11-24-14

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	22,807.	
4 Dividends and interest from securities			14	1,577,307.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income			14	5,379.	
8 Gain or (loss) from sales of assets other than inventory			18	1,867,015.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		3,472,508.	0.

13 **Total.** Add line 12, columns (b), (d), and (e) .. 13 3,472,508.

(See worksheet in line 13 instructions to verify calculations.)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

William K Foster | 11/9/15 | ~~CEO~~ Treasurer

Signature of officer or trustee | Date | Title

May the IRS discuss this return with the preparer shown below (see instr)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
LORI BOYCE	Lori Boyce	11/6/15		P00121981
Firm's name ▶ DELOITTE TAX LLP			Firm's EIN ▶ 86-1065772	
Firm's address ▶ 200 RENAISSANCE CENTER, SUITE 3900 DETROIT, MI 48243			Phone no. 313-396-3000	

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
INTEREST	22,807.	22,807.	22,807.
TOTAL TO PART I, LINE 3	22,807.	22,807.	22,807.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
SECURITIES	1,577,307.	0.	1,577,307.	1,577,307.	1,577,307.
TO PART I, LINE 4	1,577,307.	0.	1,577,307.	1,577,307.	1,577,307.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
PARTNERSHIP FLOW THROUGH - OTHER THAN CAPITAL GAINS (STATEMENT 3A)	0.	86,050.	0.
MISCELLANEOUS INCOME	5,379.	5,379.	0.
TOTAL TO FORM 990-PF, PART I, LINE 11	5,379.	91,429.	0.

FORM 990-PF LEGAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	13,070.	7,809.	0.	5,261.
TO FM 990-PF, PG 1, LN 16A	13,070.	7,809.	0.	5,261.

FORM 990-PF	ACCOUNTING FEES	STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	30,556.	8,079.	0.	18,851.
TO FORM 990-PF, PG 1, LN 16B	30,556.	8,079.	0.	18,851.

FORM 990-PF	OTHER PROFESSIONAL FEES	STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
CONSULTING	75,186.	2,341.	0.	72,845.
INVESTMENT MANAGEMENT FEES	224,275.	224,275.	0.	0.
PENSION ADMINISTRATIVE FEE	3,303.	330.	0.	2,973.
TO FORM 990-PF, PG 1, LN 16C	302,764.	226,946.	0.	75,818.

FORM 990-PF	TAXES	STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
990-PF FEDERAL EXCISE TAXES	32,000.	0.	0.	0.
PAYROLL TAXES	23,041.	1,482.	0.	21,559.
FOREIGN TAX REFUND	-1,172.	-2,094.	0.	0.
UNRELATED BUSINESS INCOME TAX	10,000.	0.	0.	0.
720-PCOR FEDERAL EXCISE FEE	8.	0.	0.	8.
TO FORM 990-PF, PG 1, LN 18	63,877.	-612.	0.	21,567.

FORM 990-PF OTHER EXPENSES STATEMENT 8

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
OHIO FILING FEE	200.	0.	0.	200.
COMPUTER, WEBSITE & INTERNET	20,078.	2,008.	0.	19,696.
MISCELLANEOUS EXPENSE	178.	62.	0.	116.
INSURANCE	1,835.	184.	0.	1,652.
GRANT EXPENSE	375.	0.	0.	375.
MEMBERSHIP DUES	4,485.	0.	0.	4,485.
INVESTMENT EXPENSE	835.	835.	0.	0.
GENERAL OFFICE EXPENSE	3,611.	361.	0.	3,250.
OFFICE FURNITURE	239.	24.	0.	215.
PAYROLL SERVICE	1,018.	102.	0.	917.
POSTAGE	1,537.	154.	0.	1,383.
TELEPHONE	4,911.	491.	0.	4,420.
PENALTIES	117.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 23	39,419.	4,221.	0.	36,709.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 9

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
MUNDER CAPITAL MGMT	X		920,239.	920,239.
TOTAL U.S. GOVERNMENT OBLIGATIONS			920,239.	920,239.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			920,239.	920,239.

FORM 990-PF CORPORATE STOCK STATEMENT 10

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
NORTHERN TRUST CO	63,180,655.	63,180,655.
EARNEST PARTNERS	6,201,534.	6,201,534.
TOTAL TO FORM 990-PF, PART II, LINE 10B	69,382,189.	69,382,189.

FORM 990-PF	CORPORATE BONDS	STATEMENT 11

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
MUNDER CAPITAL MGMT	5,212,343.	5,212,343.
TOTAL TO FORM 990-PF, PART II, LINE 10C	5,212,343.	5,212,343.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT 12

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
20-0162932	FMV	551,666.	551,666.
86-1091586	FMV	206,828.	206,828.
98-0500290	FMV	873,391.	873,391.
20-5599972	FMV	436,056.	436,056.
20-5198605	FMV	615,333.	615,333.
26-1823174	FMV	390,576.	390,576.
26-2214434	FMV	573,097.	573,097.
26-2874862	FMV	619,492.	619,492.
26-2278701	FMV	389,954.	389,954.
PRIVATE ADVISORS STABLE VALUE FUNDS	FMV	3,930,959.	3,930,959.
20-5599972	FMV	97,347.	97,347.
RCP SECONDARY OPPORTUNITY FUND	FMV	358,188.	358,188.
ARCHSTONE EQUITY STRATEGIES FUND, LTD.	FMV	0.	0.
ABC OFFSHORE SPC	FMV	2,569,408.	2,569,408.
AEW CAPITAL MANAGEMENT	FMV	2,619,546.	2,619,546.
FLAG VENTURE PARTNERS VIII,LP	FMV	288,250.	288,250.
RCP FUND VIII FEEDER,LTD	FMV	339,637.	339,637.
46-5139309	FMV	38,145.	38,145.
36-4766444	FMV	-12,461.	-12,461.
TOTAL TO FORM 990-PF, PART II, LINE 13		14,885,412.	14,885,412.

FORM 990-PF	OTHER ASSETS		STATEMENT 13
DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
INCOME RECEIVABLE	45,359.	49,307.	49,307.
DEPOSITS	2,636.	2,636.	2,636.
TO FORM 990-PF, PART II, LINE 15	47,995.	51,943.	51,943.

FORM 990-PF	OTHER LIABILITIES	STATEMENT 14
DESCRIPTION	BOY AMOUNT	EOY AMOUNT
PAYROLL WITHHOLDING	4,227.	4,354.
UNSETTLED SECURITIES INV PURCHASES	-43.	-43.
TOTAL TO FORM 990-PF, PART II, LINE 22	4,184.	4,311.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 15

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
WILLIAM FOSTER 4169 HOLLAND-SYLVANIA RD, STE 201 TOLEDO, OH 43623	TREASURER 2.50	0.	0.	0.
PAMELA HOWELL-BEACH 4169 HOLLAND-SYLVANIA RD, STE 201 TOLEDO, OH 43623	CEO 50.00	170,128.	25,692.	0.
JULIE B. HIGGINS 4169 HOLLAND-SYLVANIA RD, STE 201 TOLEDO, OH 43623	TRUSTEE 2.75	0.	0.	0.
PAGE ARMSTRONG 4169 HOLLAND-SYLVANIA RD, STE 201 TOLEDO, OH 43623	VICE PRESIDENT 2.00	0.	0.	0.
MARK STRANAHAN 4169 HOLLAND-SYLVANIA RD, STE 201 TOLEDO, OH 43623	TRUSTEE 2.00	0.	0.	0.
SARAH STRANAHAN 4169 HOLLAND-SYLVANIA RD, STE 201 TOLEDO, OH 43623	TRUSTEE 2.25	0.	0.	0.
PATRICK STRANAHAN 4169 HOLLAND-SYLVANIA RD, STE 201 TOLEDO, OH 43623	PRESIDENT 2.50	0.	0.	0.
TIMOTHY FOSTER 4169 HOLLAND-SYLVANIA RD, STE 201 TOLEDO, OH 43623	TRUSTEE 1.00	0.	0.	0.
PAGE EASTER 4169 HOLLAND-SYLVANIA RD, STE 201 TOLEDO, OH 43623	TRUSTEE 1.50	0.	0.	0.
MARY STRANAHAN 4169 HOLLAND-SYLVANIA RD, STE 201 TOLEDO, OH 43623	TRUSTEE 1.00	0.	0.	0.
MARK E STRANAHAN 4169 HOLLAND-SYLVANIA RD, STE 201 TOLEDO, OH 43623	SECRETARY 1.50	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		170,128.	25,692.	0.

FORM 990-PF	SUMMARY OF PROGRAM-RELATED INVESTMENTS	STATEMENT 16

DESCRIPTION

NONPROFIT FINANCE FUND:
NONPROFIT FINANCE FUND PROVIDES A BROAD ARRAY OF FINANCING PRODUCTS AND ADVISORY SERVICES ON FINANCIAL MANAGMENT TO NONPROFIT ORGANIZATIONS.

	AMOUNT
TO FORM 990-PF, PART IX-B, LINE 1	1,000,000.

FORM 990-PF	SUMMARY OF PROGRAM-RELATED INVESTMENTS	STATEMENT 17

DESCRIPTION

NONPROFIT FINANCE FUND:
NONPROFIT FINANCE FUND PROVIDES A BROAD ARRAY OF FINANCING PRODUCTS AND ADVISORY SERVICES ON FINANCIAL MANAGMENT TO NONPROFIT ORGANIZATIONS.

	AMOUNT
TO FORM 990-PF, PART IX-B, LINE 2	1,000,000.

FORM 990-PF GRANT APPLICATION SUBMISSION INFORMATION STATEMENT 18
PART XV, LINES 2A THROUGH 2D

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

GRANTS MANAGER
HTTP://WWW.STRANAHANFOUNDATION.ORG

TELEPHONE NUMBER

419-882-5575

FORM AND CONTENT OF APPLICATIONS

ALL APPLICANTS MUST HAVE NONPROFIT STATUS AS DEFINED IN SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. GRANTS ARE GENERALLY MADE TO ENTITIES THAT QUALIFY AS PUBLIC CHARITIES AND ARE NOT TYPE III NON-FUNCTIONALLY INTEGRATED SUPPORTING ORGANIZATIONS. THERE ARE TWO PHASES TO THE APPLICATION PROCESS, FOR ADDITIONAL INFORMATION SEE WEBSITE AT HTTP://WWW.STRANAHANFOUNDATION.ORG

ANY SUBMISSION DEADLINES

FOR ADDITIONAL INFORMATION SEE WEBSITE AT
HTTP://WWW.STRANAHANFOUNDATION.ORG

RESTRICTIONS AND LIMITATIONS ON AWARDS

FOR ADDITIONAL INFORMATION SEE WEBSITE AT
HTTP://WWW.STRANAHANFOUNDATION.ORG

The Stranahan Foundation
34-6414375
Year Ended 12/31/2014

Statement 3a

Fund Code	Fund Name	EIN	Ordinary/ Rental	Net Rental Real Estate Income	Other Net Rental Income	Guaranteed Payments	Interest Income	Ordinary Dividends	Royalties	Short Term Gain (Loss)	Long Term Gain (Loss)	Section 1231 Gain (Loss) Net of Section 1250 Gain	Section 1231 Gain	Other portfolio Income(loss)	Sec 1256 Contract & Straddle	Cancellation of Debt	Other Income (loss)	Section 179 deduction	Ch Cont.	Invest interest expense	Deductions Royalty Income	Section 59(E)(2) Expenditure	Deductions - portfolio (2% floor)	Deductions - portfolio (other)	Employer's Form W-2 Wages	Other Deduction
1	ABS Offshore SPC																									
2	AEW Core Property Trust (US) Inc.																									
3	Archstone Equity Strategies Fund, Ltd.																									
4	Capital Dynamics Champion Ventures V,L.P	20-6591378	21		1		156	1 500		1 485	67 172		15	4 728			17		2	11			9 195	1		53
5	European Strategic Partners-06	98-0500290					4 247	85 819		36	48 243			690			(252)			145			16 915	3		
6	Flag Private Equity II, L.P	20-0182932	13 186	(8)			5 046	9 629	34	(86)	123 833	25	2,075	209	48		519	5	46	58	2	2 733	10 730	2	45	147
7	Flag Private Equity IV, L.P	26-2279701	2 680	(1)			3 792	7 867		522	34 822		20	8			129	398	61	1 996			9 054	1	1 055	387
8	Flag Venture Partners VII, L. P	26-2874862	(56)			24	184	450		2,251	70 910		(4)	9			520	2	6	6		7	16 103	3		106
9	Flag Ventures Partners (Offshore) VIII L.P																									
10	Flag Venture Partners IX, L. P	46-5139309					126										(72)			792			5 381			-
11	HRJ Special Opportunities I, L.P	20-6199605	(911)	(904)			4 849	21,458		1 350	16 324		(3)	2 889	374		3 403		2	1 284		6	13 671			111
12	HRJ Capital VC V (Foreign), LP	20-6589972					28	125		(11)	3 806						10						2 233			
13	Metropolitan Real Estate Partners Global II LP	26-2214434	(622)	(215)			420	14 633		96	55 168	4 844	11 966	11 867			5 095		2	236			1 355	8 353		155
14	Private Advisors Stable Value Fund, Ltd.																									
15	RCP Fund II LP	86-1091599	(586)				1 602	7 596		1 234	28 372		69	(80)		2 568	419	19		(15)		29	2 655			56
16	RCP Fund VI, LP	26-1823174	37	(30)			3 670	10 209	78	(999)	16 409	1	1 334	33	11		45	54	23	356			10 002	1	768	1 836
17	RCP Fund VIII Feeder Ltd																						9 022			
18	RCP Fund IX, LP	38-4766444																								
19	RCP Secondary Opportunity Fund																									
	Total		13 729	(1 158)	1	24	24 320	159 286	112	5 876	485 059	4 870	15 474	20 351	433	2 568	9 833	478	142	4 871	2	2,775	106 316	8 364	1 868	2 851
	Adjustment for Amounts Reported on Form 990-T as Unrelated Business Income		(14,861)	489			(606)	(22)	(31)	(42)	(12,850)		(1 652)	(230)									(2 993)			3,421
	Partnership Income		(1 132)	(669)	1	24	23 712	159 264	61	5 834	452 209	4 870	13 822	20 121	433	2 568	9 833	478	142	4 871	2	2 775	103,323	8 364	1 868	6 072
			b	b	b	b	b	b	b	a	a	a	a	b	a	b	b	c		c	c	c	c	c	c	c
	Total Gains from Partnerships (sum a)	477 168	To Part IV 1c																							
	Total Other Income from Partnerships (sum b - sum c)	86,050	To Part I, Line 11																							

Part XV Supplementary Information

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

Name and address (home or business)	If the recipient is an individual, show any relationship to any foundation manager or substantial contributor	Purpose of Grant or Contribution	Status	Amount
a: Paid during the year				
Administrators of the Tulane Educational Fund, The Tulane School of Medicine, Dept. of Psychiatry, New Orleans, LA, 70112	N/A	2517 SI-Expansion	PC	$131,269.00
Agenda for Children Inc 8300 Earhart Blvd, New Orleans, LA, 70118	N/A	2513 SI-Expansion	PC	$75,000.00
Alliance for Paired Donation 3661 Briarfield Blvd. #105, Maumee, OH, 43537	N/A	2721 Other Support	PC	$25,000.00
Alliance for Paired Donation 3661 Briarfield Blvd. #105, Maumee, OH, 43537	N/A	2556 Other Support	PC	$50,000.00
AMIkids Beaufort 60 Honeybee Island Road, Seabrook, SC, 29940	N/A	2429 Continuing Operating Support	PC	$25,000.00
Arts Council of Beaufort County 2127 Boundary Street, Suite 18A, Beaufort, SC, 29902	N/A	2505 Continuing Operating Support	PC	$34,500.00
Bittersweet, Inc. DBA Bittersweet Farms 12660 Archbold-Whitehouse Road, Whitehouse, OH, 43571	N/A	2440 Capital (Bricks/Mortar)	PC	$50,000.00
Black Swamp Conservancy, The 4825 Sugar Ridge Road, Pemberville, OH,	N/A	2467 Continuing Operating Support	PC	$10,000.00
Black Swamp Conservancy, The 4825 Sugar Ridge Road, Pemberville, OH,	N/A	2718 Challenge	PC	$5,000.00
Blackfoot Challenge, Inc 405 Main Street, Ovando, MT, 59854	N/A	2367 Continuing Operating Support	PC	$15,000.00
Bozeman Public Schools Foundation 404 W. Main Street, Bozeman, MT, 59715	N/A	2426 Other Support	SO III FI	$4,700.00
Community MusicWorks 1392 Westminster Street, Providence, RI, 02909	N/A	2480 Continuing Operating Support	PC	$35,000.00
COMPASS for kids 1050 Waltham Street, Suite 300, Lexington, MA, 02421	N/A	2465 Project Expansion	PC	$50,000.00
Comprehensive Community Child Care Organization Inc dba 4c for Children 1924 Dana Avenue, Cincinnati, OH, 45207	N/A	2514 SI-Expansion	PC	$199,455.00
Conservancy of Southwest Florida 1495 Smith Preserve Way, Naples, FL, 34102	N/A	2579 Continuing Operating Support	PC	$35,000.00
Council on Foundations 2121 Crystal Drive, Suite 700, Arlington, VA, 22202-3706	N/A	2800 Continuing Operating Support	PC	$9,600.00
Daughter Project, The PO Box 255, Perrysburg, OH, 43552	N/A	2539 Continuing Operating Support	PC	$10,000.00
Diabetes Youth Services 2100 W. Central Ave., Suite 110, Toledo, OH, 43606	N/A	2619 Continuing Operating Support	PC	$25,000.00
Economic and Community Development Institute ECDI 1655 Old Leonard Ave, Columbus, OH, 43219	N/A	2482 Project Expansion	PC	$17,500.00
Economic and Community Development Institute ECDI 1655 Old Leonard Ave, Columbus, OH, 43219	N/A	2482 Project Expansion	PC	$17,500.00

Part XV Supplementary Information

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

Name and address (home or business)	If the recipient is an individual, show any relationship to any foundation manager or substantial contributor	Purpose of Grant or Contribution	Status	Amount
Epidaurus DBA Amity Foundation 146 East Broadway, Tucson, AZ, 85701	N/A	2694 Project Expansion	PC	$50,000.00
Erikson Institute 451 North LaSalle Street, Chicago, IL, 60654-4510	N/A	2172 SI-Operating	PC	$75,000.00
Erikson Institute 451 North LaSalle Street, Chicago, IL, 60654-4510	N/A	2172 SI-Operating	PC	$125,000.00
Family Service of Northwest Ohio 701 Jefferson Ave., Suite 301, Toledo, OH, 43604	N/A	2584 Continuing Operating Support	PC	$15,000.00
Foundation Center-Cleveland 1422 Euclid Avenue, Suite 1600, Cleveland, OH, 44115	N/A	2503 Continuing Operating Support	PC	$2,500.00
Franciscan Shelters dba Bethany House PO Box 5930, Toledo, OH, 43613	N/A	2436 Continuing Operating Support	PC	$20,000.00
Gallatin Valley Land Trust 25 N Willson Ave, Ste E, Bozeman, MT, 59715	N/A	2700 Continuing Operating Support	PC	$25,000.00
Georgetown University 37th and O Streets, N.W., Box 571168, Washington, DC, 20057	N/A	2725 SI-Other	PC	$74,974.00
Good Grief of Northwest Ohio, Inc. 6855 Spring Valley Drive, Suite 100, Holland, OH, 43528	N/A	2471 Project Start Up	PC	$40,000.00
Grace Place for Children and Families, Inc. PO Box 990531, Naples, FL, 34116	N/A	2717 Continuing Operating Support	PC	$35,000.00
Greenwich Hospital 5 Perryridge Rd, Greenwich, CT, 06830	N/A	2726 Continuing Operating Support	PC	$1,000.00
Growing Hope, Inc. P.O. Box 980129, Ypsilanti, MI, 48198	N/A	2519 Continuing Operating Support	PC	$25,000.00
HAVEN Po Box 752, Bozeman, MT, 59771	N/A	2655 Continuing Operating Support	PC	$25,000.00
IS183, Inc. P.O. Box 1400/13 Willard Hill Road, Stockbridge, MA, 01262	N/A	2479 Continuing Operating Support	PC	$17,500.00
IS183, Inc. P.O Box 1400/13 Willard Hill Road, Stockbridge, MA, 01262	N/A	2479 Continuing Operating Support	PC	$17,500.00
Manaus Fund 520 South Third Street #26, Carbondale, CO, 81623	N/A	2395 SI-Expansion	PC	$150,000.00
Mary C. Wheeler School (Breakthrough Providence) 216 Hope Street, Providence, RI, 02906	N/A	2477 Continuing Operating Support	PC	$25,000.00
Meals on Wheels of the Palm Beaches, Inc. PO Box 247, West Palm Beach, FL, 33402	N/A	2431 Continuing Operating Support	PC	$20,000.00
Meridian Community College Foundation 910 Highway 19 North, Meridian, MS, 39307	N/A	1960 SI-Expansion	PC	$7,160.00
Meridian Community College Foundation 910 Highway 19 North, Meridian, MS, 39307	N/A	1960 SI-Expansion	PC	$57,000.00
Montana Community Development Corporation 229 E. Main St., Missoula, MT, 59802	N/A	2494 Continuing Operating Support	PC	$45,000 00
NCBI Missoula 1124 Cedar St, Missoula, MT, 59802	N/A	2608 Continuing Operating Support	PC	$25,000.00

Part XV Supplementary Information

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

Name and address (home or business)	If the recipient is an individual, show any relationship to any foundation manager or substantial contributor	Purpose of Grant or Contribution	Status	Amount
Neutral Zone (d.b.a. Ann Arbor Teen Center) 310 E. Washington St., Ann Arbor, MI, 48104	N/A	2526 Continuing Operating Support	PC	$20,000.00
New Mexico School for the Arts - Art Institute 275 East Alameda Street, Santa Fe, NM, 87501	N/A	2460 Continuing Operating Support	PC	$35,000.00
New Urban Arts 705 Westminster Street, Providence, RI, 02903	N/A	2478 Continuing Operating Support	PC	$27,500.00
Nonprofit Finance Fund 70 West 36th Street, 11th Floor, New York, NY, 10018	N/A	2518 Program-Related Investment	PC	$1,000,000.00
Nonprofit Finance Fund 70 West 36th Street, 11th Floor, New York, NY, 10018	N/A	2518 Program-Related Investment	PC	$1,000,000.00
Oak Openings Region Conservancy 7100 Pilliod Road, Holland, OH, 43528	N/A	2469 Project Expansion	PC	$12,000.00
Ounce of Prevention Fund 33 West Monroe Street, Suite 2400, Chicago, IL, 60603	N/A	2729 SI-Expansion	PC	$100,000.00
Philanthropy Ohio 37 West Broad Street, Suite 800, Columbus, OH, 43215	N/A	2801 Continuing Operating Support	PC	$8,937.00
Phillips Exeter Academy 20 Main Street, Exeter, NH, 03833	N/A	2724 Continuing Operating Support	PC	$40,615.44
Port Townsend Marine Science Society, The 532 Battery Way, Port Townsend, WA, 98368	N/A	2481 Project Expansion	PC	$25,000.00
Read for Literacy Inc. 325 N. Michigan Street, Toledo, OH, 43604	N/A	2337 Continuing Operating Support	PC	$25,000.00
Read for Literacy Inc. 325 N. Michigan Street, Toledo, OH, 43604	N/A	2538 SGIN-Operating	PC	$5,000.00
Schumacher Center for a New Economics 140 Jug End Road, Great Barrington, MA, 01230	N/A	2715 Project Expansion	PC	$20,000.00
Senior Independence 1730 South Reynolds Road, Toledo, OH, 43614	N/A	2604 Continuing Operating Support	PC	$13,000.00
Southwest Human Development 2850 North 24th Street, Phoenix, AZ, 85008-1004	N/A	2728 SI-Expansion	PC	$257,497.00
Third Sector New England 89 South Street Suite 700, Boston, MA, 02111	N/A	2731 SI-Other	PC	$21,172.00
Third Sector New England 89 South Street Suite 700, Boston, MA, 02111	N/A	2723 SI-Other	PC	$13,327.00
Thrive P.O. Box 6637, Bozeman, MT, 59771	N/A	2660 Other Support	PC	$35,000.00
Toledo Botanical Garden 5403 Elmer Drive, Toledo, OH, 43615	N/A	2528 Continuing Operating Support	PC	$10,000.00
Toledo Community Foundation 300 Madison Ave. Ste. 1300, Toledo, OH, 43604	N/A	2798 Continuing Operating Support	PC	$15,000.00
Toledo Community Foundation 300 Madison Ave. Ste. 1300, Toledo, OH, 43604	N/A	2527 Continuing Operating Support	PC	$50,000.00
Toledo Day Nursery 2211 Jefferson Ave., Toledo, OH, 43604	N/A	2455 Continuing Operating Support	PC	$15,000.00

Part XV Supplementary Information

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

Name and address (home or business)	If the recipient is an individual, show any relationship to any foundation manager or substantial contributor	Purpose of Grant or Contribution	Status	Amount
Toledo Museum of Art (TMA) 2445 Monroe Street, PO Box 1013, Toledo, OH, 43620	N/A	2487 Continuing Operating Support	PC	$20,000.00
Toledo Orchestra Association, Inc. dba The Toledo Symphony P.O. Box 407, 1838 Parkwood Avenue Suite #310, Toledo, OH, 43697	N/A	2605 Continuing Operating Support	PC	$25,000.00
Toledo Repertoire Theatre 16 10th Street, Toledo, OH, 43604	N/A	2615 SGIN-Other	PC	$2,000.00
Toledo School for the Arts 333 14th Street, Toledo, OH, 43604	N/A	2710 Continuing Operating Support	PC	$25,000.00
Toledo School for the Arts 333 14th Street, Toledo, OH, 43604	N/A	2361 Project Expansion	PC	$50,000.00
Toledo Science Center d.b.a. Imagination Station One Discovery Way, Toledo, OH, 43604	N/A	2468 Project Expansion	PC	$26,000.00
United Way of Greater Toledo 424 Jackson Street, Toledo, OH, 43604	N/A	2727 SGIN-Operating	PC	$5,000.00
University Church 4747 Hill Ave., Toledo, OH, 436i15	N/A	2422 Continuing Operating Support	PC	$25,000.00
University of Florida Foundation 2012 West University Avenue, Gainesville, FL, 32603	N/A	2667 Project Start Up	PC	$32,000.00
USA Aniridia Network doing business as Aniridia Foundation International PO Box 800715, Charlottesville, VA, 22908-0715	N/A	2441 Project Expansion	PC	$35,000.00
Veggie U 184 Oberlin Rd, Oberlin, OH, 44074	N/A	2640 Continuing Operating Support	PC	$20,000.00
Victory Center, The 5532 W. Central Avenue, Suite B, Toledo, OH, 43615	N/A	2719 SGIN-Operating	PC	$2,640.00
Western Avenue Family Center 1411 Broadway, Toledo, OH, 43609	N/A	2622 Continuing Operating Support	PC	$25,000.00
Young Womens Christian Association of Tucson 525 N Bonita Avenue, Tucson, AZ, 85745	N/A	2646 Continuing Operating Support	PC	$20,000.00
		Total: Part XV, Line 3a	**$4,763,846**	
b: Approved for future payment				
Administrators of the Tulane Educational Fund, The Tulane School of Medicine, Dept of Psychiatry, New Orleans, LA, 70112	N/A	2517 SI-Expansion	PC	$115,972.00
Alliance for Paired Donation 3661 Briarfield Blvd. #105, Maumee, OH, 43537	N/A	2808 Continuing Operating Support	PC	$8,000.00
Comprehensive Community Child Care Organization Inc dba 4c for Children 1924 Dana Avenue, Cincinnati, OH, 45207	N/A	2514 SI-Expansion	PC	$204,230.00
Comprehensive Community Child Care Organization Inc dba 4c for Children 1924 Dana Avenue, Cincinnati, OH, 45207	N/A	2514 SI-Expansion	PC	$202,366.00

Part XV Supplementary Information

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

Name and address (home or business)	If the recipient is an individual, show any relationship to any foundation manager or substantial contributor	Purpose of Grant or Contribution	Status	Amount
Farm Labor Research Project dba Campaign for Migrant Worker Justice 1221 Broadway, Toledo, OH, 43609	N/A	2796 SGIN-Other	PC	$5,000.00
Georgetown University 37th and O Streets, N.W., Box 571168, Washington, DC, 20057	N/A	2725 SI-Other	PC	$75,017.00
Manaus Fund 520 South Third Street #26, Carbondale, CO, 81623	N/A	2395 SI-Expansion	PC	$150,000.00
Meridian Community College Foundation 910 Highway 19 North, Meridian, MS, 39307	N/A	2744 SI-Operating	PC	$35,000.00
New Mexico School for the Arts - Art Institute 275 East Alameda Street, Santa Fe, NM, 87501	N/A	2823 Continuing Operating Support	PC	$25,000.00
Phillips Exeter Academy 20 Main Street, Exeter, NH, 03833	N/A	2875 Continuing Operating Support	PC	$67,951.39
Thrive P.O. Box 6637, Bozeman, MT, 59771	N/A	2660 Other Support	PC	$35,000.00
University of California Los Angeles (Center for Duchenne Muscular Dystrophy) 277 Biomedical Research Sciences Building,, Los Angeles, CA, 90095-7364	N/A	2716 Project Expansion	PC	$50,000.00
University of Florida Foundation Lastinger Center for Learning, G-315 Norman Hall, Gainesville, FL, 32611	N/A	2396 SI-Start Up	PC	$300,000.00
Western Carolina Higher Education Commission PO Box 617, 668 James Brandt Boulevard, Allendale, SC, 29810	N/A	2807 Continuing Operating Support	PC	$7,000.00
		Total: Part XV, Line 3b		$1,280,536

The Stranahan Foundation

Attachment to 2014 Form 990-PF Return of Private Foundation

INFORMATION WITH RESPECT TO EXPENDITURE RESPONSIBILITY GRANTS

(1) Grantee:	University Church	
Grantee EIN:	35-2484010	
Grantee Address:	4747 Hill Ave., Toledo, OH 43615	
(2) Current Year Payments:	$25,000.00	
(3) Payments:		
TOTAL PAID	$25,000 00	Grant Number: 2422
(4) Purpose:	Provide educational opportunities as well as community gardens in low-income neighborhood	
(5) Amount of Grant Spent:	$25,000 00	
(6) Diversion:	To the knowledge of the foundation, and based on the report furnished by the grantee, no part has been used for other than the intended purpose	
(7) Date of Reports Received from Grantee:	02-1-2015 Received 01-29-2015	
(8) Verification:	The Stranahan Foundation staff reviewed the grantee's report but did not conduct any independent verification of the grantee's reports as there has not been any reason to doubt their accuracy or reliability. Treas. Reg Section 53 4945-5(c)(1)	

Asset detail

Cash and cash equivalents

	Description	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
447,000	United States Treasury Bill DTD 12/18/2014 Mat 6/18/2015 Income At Maturity Moody's: AAA S&P: AA+	$ 446,825.67	$ 446,802 14	$ 23 53	$ 418.56	0 1%	6.7%
65,528 46	CRA4 (BNY Mellon, N.A., Member FDIC) (Principal Holding)	65,528 46	65,528.46		0.00	0 0	1.0
	Principal Cash	-597,468 44					
	Income Cash	597,468.44					
Total cash and cash equivalents		$ 512,354 13	$ 512,330.60	$ 23 53	$ 418 56		7 7%

Fixed income

Taxable

Individual securities Treasury

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
296,000	United States Treasury Notes DTD 5/15/2014 875 5/15/2017 Moody's. AAA S&P: AA+	$ 100.0550	$ 296,162 80	$ 296,180 89	$ -18 09	$ 2,590.00	0 9%	4 5%
89,000	United States Treasury Notes DTD 8/31/2014 1 625% 8/31/2019 Moody's AAA S&P AA+	100 1090	89,097.01	89,365 76	-268 75	1,446 25	1.6	1 3
85,000	United States Treasury Note DTD 8/15/2014 2.375 8/15/2024 Moody's. AAA S&P. AA+	101 8520	86,574 20	85,532 02	1,042 18	2,018 75	2.3	1 3
17,000	United States Treasury Notes DTD 11/15/2014 2 25% 11/15/2024 Moody's. AAA S&P: AA+	100.6720	17,114 24	17,071 72	42 52	382 50	2.2	0 3
79,000	United States Treasury Note DTD 11/15/1998 5 25% 11/15/2028 Moody's. AAA S&P. AA+	134 0700	105,915 30	105,260 05	655 25	4,147 50	3 9	1 6

Fixed income

Taxable

Individual securities Treasury continued

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
9,000	United States Treasury Note DTD 2/15/2008 4.375% 2/15/2038 Moody's· AAA S&P. AA+	130 8520	11,776.68	11,099.28	677.40	393.75	3 3	0 2
9,000	United States Treasury Bond DTD 8/15/2011 3.75% 8/15/2041 Moody's AAA S&P. AA+	120 5230	10,847.07	10,248.75	598 32	337 50	3 1	0 2
296,000	United States Treasury Note DTD 5/15/2013 2 875% 5/15/2043 Moody's· AAA S&P· AA+	102 2810	302,751 76	261,982 95	40,768.81	8,510 00	2.8	4.6

Individual securities Corporate

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
60,000	Citigroup Inc DTD 6/15/2011 3.953% 6/15/2016 Moody's. BAA2 S&P. A-	$ 103 8070	$ 62,284 20	$ 62,494.20	$ -210.00	$ 2,371 80	3.8%	0.9%
11,000	Verizon Communications DTD 9/18/2013 2 5% 9/15/2016 Moody's. BAA1 S&P. BBB+	102 2170	11,243 87	10,991 53	252 34	275.00	2.5	0.2
55,000	Crh America Inc DTD 9/14/2006 6% 9/30/2016 Moody's BAA2 S&P. BBB+	107.6310	59,197 05	60,299 15	-1,102 10	3,300 00	5 6	0 9
65,000	PNC Funding Corp DTD 2/8/2007 5 625% 2/1/2017 Moody's· BAA1 S&P: BBB+	107 9240	70,150 60	70,754 45	-603.85	3,656 25	5.2	1.1
80,000	Bank Of America Corp DTD 3/22/2012 3.875% 3/22/2017 Moody's: BAA2 S&P· A-	104.6300	83,704.00	83,240.40	463.60	3,100.00	3.7	1.3
50,000	Carefusion Corp DTD 5/22/2014 1.45% 5/15/2017 Moody's: BAA3 S&P: BBB	99 2920	49,646 00	50,102 50	-456 50	725 00	1 5	0 8

Individual securities Corporate
continued

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
30,000	Toyota Motor Credit Corp DTD 5/1/2014 1.125% 5/16/2017 Moody's AA3 S&P AA-	99 6220	29,886.60	29,984 10	-97.50	337.50	1.1	0 5
40,000	American Express Credit DTD 06/05/2014 1.125% 06/05/2017 Moody's: A2 S&P: A-	99.6850	39,874 00	39,902 40	-28 40	450.00	1.1	0.6
30,000	Lorillard Tob Co DTD 8/21/2012 2 3% 8/21/2017 Moody's: BAA2 S&P BBB-	100.6380	30,191.40	30,214.80	-23.40	690.00	2.3	0.5
40,000	Health Care Reit Inc DTD 9/10/2010 4 7% 9/15/2017 Moody's: BAA2 S&P BBB	107.4450	42,978.00	40,453.20	2,524.80	1,880.00	4.4	0 7
65,000	F M C Technologies Inc DTD 9/21/2012 2% 10/1/2017 Moody's BAA2 S&P BBB	99.2840	64,534 60	65,788 45	-1,253.85	1,300 00	2 0	1 0
15,000	Marathon Oil Corp DTD 9/27/2007 6% 10/1/2017 Moody's BAA1 S&P. BBB	110 2270	16,534 05	16,964 85	-430.80	900.00	5.4	0.3
3,000	Agilent Technologies Inc DTD 10/29/2007 6 5% 11/1/2017 Moody's. BAA2 S&P: BBB+	110.9970	3,329.91	3,474.93	-145.02	195.00	5.9	0.1
65,000	Precision Castparts Corp DTD 12/20/2012 1 25% 1/15/2018 Moody's A2 S&P A-	98 8000	64,220 00	64,446 85	-226 85	812.50	1.3	1.0
35,000	Goldman Sachs Group Inc DTD 1/22/2013 2 375% 1/22/2018 Moody's BAA1 S&P. A-	101 0100	35,353 50	35,039 82	313 68	831 25	2 4	0 5
75,000	Bear Stearns Co Inc DTD 2/1/2008 7 25% 2/1/2018 Moody's A3 S&P. A	115 2550	86,441 25	87,635 25	-1,194 00	5,437 50	6 3	1 3
45,000	Eqt Corp DTD 3/18/2008 6 5% 4/1/2018 Moody's. BAA3 S&P. BBB	112 5340	50,640 30	52,304 45	-1,664.15	2,925.00	5 8	0 8

Individual securities Corporate
continued

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
55,000	Goldman Sachs Group Inc DTD 4/1/2008 6 15% 4/1/2018 Moody's: BAA1 S&P. A-	112 2420	61,733 10	58,293 10	3,440 00	3,382 50	5.5	0 9
20,000	CF Industries Inc DTD 4/23/2010 6.875% 5/1/2018 Moody's. BAA2 S&P: BBB-	113 6830	22,736 60	24,161.55	-1,424.95	1,375 00	6 1	0 3
45,000	Total System Services In DTD 5/22/2013 2.375% 6/1/2018 Moody's· BAA3 S&P· BBB+	99 1440	44,614.80	44,871 75	-256 95	1,068 75	2 4	0.7
45,000	Cameron Intl Corp DTD 6/26/2008 6.375% 7/15/2018 Moody's· BAA1 S&P· BBB+	112.1930	50,486 85	54,214.20	-3,727.35	2,868 75	5.7	0.8
30,000	Kilroy Realty LP DTD 7/5/2011 4.8% 7/15/2018 Moody's: BAA3 S&P. BBB-	107.7730	32,331.90	29,834.61	2,497.29	1,440.00	4.5	0.5
25,000	Huntington Bancshares DTD 8/2/2013 2 6% 8/2/2018 Moody's: BAA1 S&P: BBB	101 2160	25,304.00	25,351.00	-47.00	650.00	2.6	0.4
30,000	CA Inc DTD 8/16/2013 2 875% 8/15/2018 Moody's: BAA2 S&P: BBB+	101 6800	30,504 00	29,943 30	560 70	862 50	2.8	0 5
15,000	Metlife Inc DTD 8/15/2008 6 817% 8/15/2018 Moody's A3 S&P. A-	116.3520	17,452 80	15,052.50	2,400.30	1,022 55	5.9	0.3
60,000	Edwards Lifesciences Cor DTD 10/03/2013 2.875% 10/15/2018 Moody's. BAA3 S&P. BBB-	101.3740	60,824 40	61,373.65	-549.25	1,725.00	2.8	0.9
50,000	National Rural Util Coop DTD 10/30/2008 10.375% 11/1/2018 Moody's A1 S&P. A	130.2730	65,136.50	63,263.00	1,873.50	5,187.50	8.0	1.0
65,000	Maxim Integrated Product DTD 11/21/13 2 5% 11/15/18 Moody's· BAA1 S&P: BBB+	99 7750	64,853 75	64,913 15	-59 40	1,625 00	2 5	1 0

Individual securities Corporate
continued

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
15,000	Monsanto Co DTD 11/7/2013 1.85% 11/15/2018 Moody's A3 S&P· BBB+	99 6060	14,940 90	14,918 25	22.65	277 50	1.9	0.2
20,000	Tyco Electronics Group S DTD 11/25/2013 2 375% 12/17/2018 Moody's BAA1 S&P· A-	100.8620	20,172 40	19,898.60	273.80	475.00	2 4	0 3
30,000	Morgan Stanley DTD 1/24/2014 2.5% 1/24/2019 Moody's· BAA2 S&P: A-	100.0910	30,027.30	29,885.00	142.30	750 00	2.5	0.5
20,000	Union Pacific Corp DTD 1/10/2014 2.25% 2/15/19 Moody's· A3 S&P A	101.2730	20,254 60	19,973 80	280.80	450.00	2.2	0.3
50,000	Tjx Cos Inc DTD 4/7/2009 6 95% 4/15/2019 Moody's A3 S&P. A+	119.1240	59,562 00	51,812 50	7,749 50	3,475.00	5.8	0 9
5,000	Capital One Financial Co DTD 4/24/2014 2.45% 4/24/2019 Moody's. BAA1 S&P BBB	99 7710	4,988 55	4,996 25	-7 70	122.50	2 5	0 1
65,000	Celgene Corp DTD 05/15/2014 2.25% 05/15/2019 Moody's. BAA2 S&P: BBB+	99 2940	64,541.10	65,158.60	-617.50	1,462 50	2.3	1.0
40,000	Comerica Inc DTD 05/23/2014 2.125% 05/23/2019 Moody's: A3 S&P· A-	99 3310	39,732.40	39,868.00	-135.60	850.00	2.1	0.6
15,000	Husky Energy Inc DTD 6/18/2004 6 15% 6/15/2019 Moody's. BAA2 S&P. BBB+	112 4030	16,860 45	17,383.05	-522.60	922.50	5.5	0.3
25,000	Torch Mark Corp DTD 6/30/2009 9 25% 6/15/2019 Moody's. BAA1 S&P· A	126 6030	31,650 75	34,082 25	-2,431.50	2,312 50	7 3	0 5
25,000	Lorillard Tobacco Co DTD 6/23/2009 8 125% 6/23/2019 Moody's: BAA2 S&P. BBB-	121 2330	30,308 25	29,950.00	358.25	2,031 25	6 7	0.5

Individual securities Corporate
continued

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
15,000	Tyco Electronics Group S DTD 7/31/2014 2.35% 8/1/2019 Moody's. BAA1 S&P. A-	99 9080	14,986 20	14,992 20	-6 00	352 50	2 4	0 2
25,000	Acuity Brands Lighting DTD 6/15/2010 6% 12/15/2019 Moody's: BAA2 S&P. BBB	110 8460	27,711 50	28,217.00	-505 50	1,500 00	5 4	0 4
70,000	Axis Specialty Finance DTD 3/23/2010 5.875% 6/1/2020 Moody's· BAA1 S&P: A-	113 2780	79,294 60	69,736 80	9,557 80	4,112 50	5 2	1 2
30,000	Huntington Bancshares In DTD 12/17/2010 7% 12/15/2020 Moody's· BAA2 S&P· BBB-	120 3530	36,105 90	33,576.00	2,529.90	2,100.00	5.8	0 5
55,000	Gap Inc/ The DTD 4/12/2011 5.95% 4/12/2021 Moody's: BAA3 S&P: BBB-	113 8010	62,590 55	60,681.10	1,909.45	3,272 50	5 2	0.9
15,000	Tupperware Brands Corp DTD 12/1/2011 4.75% 6/1/2021 Moody's: BAA3 S&P. BBB-	107 0440	16,056.60	15,592.05	464.55	712.50	4.4	0.2
50,000	Netapp Inc DTD 6/5/2014 3.375% 6/15/2021 Moody's BAA1 S&P· BBB+	100 2600	50,130 00	50,248 55	-118.55	1,687 50	3.4	0 8
60,000	T C Pipelines LP DTD 6/17/2011 4 65% 6/15/2021 Moody's: BAA2 S&P: BBB-	103.9600	62,376 00	61,606.20	769 80	2,790.00	4.5	0.9
30,000	Capital One Financial Co DTD 7/19/2011 4 75% 7/15/2021 Moody's BAA1 S&P. BBB	110.2140	33,064.20	31,908.30	1,155.90	1,425.00	4.3	0.5
15,000	O'Reilly Automotive Inc DTD 9/19/2011 4.625% 9/15/2021 Moody's· BAA2 S&P BBB	109.0340	16,355.10	16,855.35	-500.25	693.75	4.2	0.3
45,000	Gilead Sciences Inc DTD 12/13/2011 4 4% 12/1/2021 Moody's A3 S&P. A-	110 2650	49,619 25	48,944 15	675 10	1,980 00	4 0	0 8

Individual securities Corporate
continued

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
10,000	Vale Overseas Limited DTD 1/11/2012 4 375% 1/11/2022 Moody's· BAA2 S&P: A-	95.8510	9,585.10	9,900 25	-315.15	437.50	4.6	0.1
15,000	Health Care Reit Inc DTD 3/14/2011 5.25% 1/15/2022 Moody's· BAA2 S&P· BBB	111.1180	16,667 70	14,900.85	1,766.85	787 50	4.7	0.3
17,000	Plains Exploration & Pro DTD 11/21/2011 6.75% 2/1/2022 Moody's: BAA3 S&P: BBB	110 0000	18,700.00	18,360.00	340.00	1,147.50	6.1	0 3
55,000	Southwestern Energy Co DTD 9/15/2012 4 1% 3/15/2022 Moody's BAA3 S&P. BBB	98.1390	53,976.45	58,189.05	-4,212.60	2,255 00	4 2	0.8
15,000	Husky Energy Inc DTD 3/22/2012 3.95% 4/15/2022 Moody's BAA2 S&P BBB+	100 3480	15,052 20	15,034.00	18.20	592 50	3 9	0.2
45,000	Tyson Foods Inc DTD 6/13/2012 4 5% 6/15/2022 Moody's BAA3 S&P BBB	108.2690	48,721 05	46,521.60	2,199.45	2,025 00	4.2	0.7
45,000	Alleghany Corp DTD 6/26/2012 4 95% 6/27/2022 Moody's BAA2 S&P BBB	109 9890	49,495 05	48,758.25	736.80	2,227 50	4.5	0.7
55,000	Church & Dwight Co Inc DTD 9/26/2012 2 875% 10/1/2022 Moody's: BAA1 S&P: BBB+	98 2990	54,064 45	51,851 80	2,212.65	1,581 25	2 9	0.8
20,000	Marathon Oil Corp DTD 10/29/2012 2 8% 11/1/2022 Moody's BAA1 S&P BBB	93 6500	18,730 00	19,193 20	-463 20	560 00	3.0	0 3
45,000	Transalta Corp DTD 11/7/2012 4 5% 11/15/2022 Moody's. BAA3 S&P BBB-	100 4960	45,223 20	45,928.50	-705 30	2,025.00	4.5	0 7
30,000	Newmarket Corp DTD 12/20/2012 4 1% 12/15/2022 Moody's BAA3 S&P BBB	102 1600	30,648 00	29,600.40	1,047 60	1,230.00	4.0	0.5

Individual securities Corporate
continued

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
30,000	Carpenter Technology DTD 2/26/2013 4 45% 3/1/2023 Moody's. BAA3 S&P. BBB	101 8420	30,552.60	30,725 70	-173 10	1,335 00	4 4	0 5
50,000	National Fuel Gas Co DTD 2/15/2013 3 75% 3/1/2023 Moody's BAA2 S&P BBB	101 1440	50,572 00	49,507 01	1,064.99	1,875 00	3.7	0.8
30,000	Reliance Steel & Alum DTD 4/12/2013 4.5% 4/15/2023 Moody's· BAA3 S&P· BBB	98.0060	29,401 80	30,132 75	-730 95	1,350.00	4 6	0.4
30,000	C F Industries Inc DTD 5/23/2013 3.45% 6/1/2023 Moody's· BAA2 S&P· BBB-	97 7550	29,326.50	29,846.70	-520.20	1,035 00	3.5	0 4
15,000	Total System Services In DTD 5/22/2013 3.75% 6/1/2023 Moody's: BAA3 S&P: BBB+	97 9910	14,698.65	13,925.70	772.95	562.50	3.8	0.2
25,000	Agilent Technologies Inc DTD 6/21/2013 3 875% 7/15/2023 Moody's: BAA2 S&P: BBB+	99.3620	24,840.50	24,886.00	-45.50	968.75	3.9	0.4
25,000	Verizon Communications DTD 9/18/2013 5 15% 9/15/2023 Moody's: BAA1 S&P· BBB+	110 4230	27,605 75	28,013 50	-407.75	1,287 50	4 7	0.4
30,000	Aspen Insurance Hldg Ltd DTD 11/13/2013 4.65% 11/15/2023 Moody's. BAA2 S&P. BBB+	103.8670	31,160.10	30,701.40	458.70	1,395.00	4.5	0.5
35,000	Mosaic Co DTD 11/13/2013 4 25% 11/15/2023 Moody's BAA1 S&P BBB	105.5200	36,932.00	35,056.70	1,875.30	1,487.50	4.0	0.6
45,000	Pseg Power LLC DTD 11/08/2013 4.3% 11/15/2023 Moody's: BAA1 S&P. BBB+	104.8480	47,181.60	45,280.85	1,900.75	1,935.00	4 1	0.7
15,000	Bank Of America Corp DTD 4/1/2014 4% 4/1/2024 Moody's BAA2 S&P A-	104 1220	15,618 30	14,943 75	674 55	600 00	3 8	0 2

Individual securities Corporate
continued

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
20,000	Mastercard Inc DTD 3/31/2014 3.375% 4/1/2024 Moody's: A2 S&P: A	102 6460	20,529 20	19,914.20	615.00	675.00	3 3	0 3
35,000	Noble Energy Inc DTD 11/07/2014 3.9% 11/15/2024 Moody's: BAA2 S&P: BBB	98.8350	34,592.25	34,975.75	-383 50	1,365.00	4.0	0.5
10,000	Walgreens Boots Alliance DTD 11/18/2014 3.8% 11/18/2024 Moody's: BAA2 S&P· BBB	101 9900	10,199.00	9,976.90	222.10	380.00	3.7	0 2
30,000	DIRECTV Holdings/Fing DTD 12/11/2014 3 95% 1/15/2025 Moody's· BAA2 S&P BBB	100.7870	30,236.10	30,114.00	122.10	1,185 00	3.9	0.5
25,000	General Elec Cap Corp Medium Term Nts Book Entry Tranche # TR 00528 6 75% 03/15/2032 Moody's· A1 S&P: AA+	136 5880	34,147.00	30,464.50	3,682 50	1,687.50	4 9	0 5
20,000	Anheuser-Bush Cos LLC DTD 10/31/2002 5 95% 1/15/2033 Moody's A2 S&P A	125 6810	25,136 20	26,276.40	-1,140.20	1,190.00	4.7	0 4
15,000	Verizon Communications DTD 9/18/2013 6.4% 9/15/2033 Moody's BAA1 S&P. BBB+	123 1780	18,476 70	16,086 60	2,390 10	960 00	5 2	0 3
30,000	Fedex Corp DTD 1/9/2014 4 9% 1/15/2034 Moody's BAA1 S&P. BBB	111 6870	33,506 10	30,280.20	3,225.90	1,470 00	4.4	0 5
25,000	Oracle Corp DTD 7/8/2014 4 3% 7/8/2034 Moody's. A1 S&P. A+	107 0670	26,766 75	26,048.75	718 00	1,075.00	4 0	0 4
30,000	AT&T Inc DTD 11/3/2004 6 15% 9/15/2034 Moody's A3 S&P A-	118 7630	35,628 90	37,598 40	-1,969 50	1,845 00	5 2	0 5
15,000	Petro-Canada DTD 5/16/2005 5 95% 5/15/2035 Moody's: A3 S&P: A-	115.6050	17,340.75	16,853.25	487 50	892 50	5 2	0.3

Individual securities Corporate continued

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
10,000	Wachovia Corporation DTD 8/1/2005 5.50% 8/1/2035 Moody's. A3 S&P. A	117 3960	11,739 60	10,370 10	1,369.50	550.00	4.7	0 2
30,000	Unitedhealth Group Inc DTD 3/2/2006 5 8% 3/15/2036 Moody's. A3 S&P. A+	123.8220	37,146 60	36,654.00	492 60	1,740 00	4.7	0.6
30,000	Home Depot Inc DTD 12/19/2006 5.875% 12/16/2036 Moody's: A2 S&P. A	130 6000	39,180 00	34,566.30	4,613 70	1,762.50	4.5	0.6
5,000	Citigroup Inc DTD 5/29/2007 5.875% 5/29/2037 Moody's BAA2 S&P A-	121.1370	6,056.85	5,608.60	448.25	293.75	4.9	0.1
20,000	Cons Edison Co Of NY DTD 8/28/2007 6 3% 8/15/2037 Moody's: A2 S&P: A-	132.2960	26,459.20	27,868.00	-1,408.80	1,260.00	4 8	0.4
25,000	Yum Brands Inc DTD 10/19/2007 6 875% 11/15/2037 Moody's BAA3 S&P BBB	129.1720	32,293.00	32,408.00	-115.00	1,718.75	5.3	0.5
15,000	Rockwell Automation DTD 12/3/2007 6.25% 12/1/2037 Moody's: A3 S&P. A	132 7120	19,906.80	17,900 55	2,006.25	937.50	4.7	0.3
20,000	Bristol-Myers Squibb DTD 5/1/2008 6 125% 5/1/2038 Moody's A2 S&P A+	130.6530	26,130.60	26,264.60	-134.00	1,225.00	4.7	0.4
10,000	Amgen Inc DTD 5/23/2008 6.9% 6/1/2038 Moody's. BAA1 S&P A	132 4760	13,247.60	12,309.30	938.30	690.00	5.2	0 2
30,000	News America Inc DTD 2/13/2009 7 85% 3/1/2039 Moody's BAA1 S&P BBB+	148 3310	44,499 30	36,345.30	8,154 00	2,355.00	5 3	0.7
25,000	Valero Energy Corp DTD 3/17/2009 10.5% 3/15/2039 Moody's BAA2 S&P BBB	158.0200	39,505 00	33,707 50	5,797.50	2,625.00	6 6	0 6

Individual securities Corporate
continued

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
15,000	Halliburton Company DTD 3/13/2009 7 45% 9/15/2039 Moody's. A2 S&P· A	140.4670	21,070.05	19,909.50	1,160.55	1,117 50	5.3	0.3
20,000	Exelon Generation Co LLC DTD 9/23/2009 6.25% 10/1/2039 Moody's: BAA2 S&P BBB	120.1070	24,021 40	23,525.60	495 80	1,250.00	5.2	0 4
20,000	Intel Corp DTD 9/19/2011 4.8% 10/1/2041 Moody's: A1 S&P: A+	109 8240	21,964 80	19,851.60	2,113.20	960.00	4 4	0.3
20,000	Mattel Inc DTD 11/08/2011 5.45% 11/01/2041 Moody's. BAA1 S&P BBB+	113.3280	22,665.60	20,790.20	1,875.40	1,090.00	4 8	0.3
25,000	Pub Svc Elec & Gas DTD 5/11/2012 3 95% 5/1/2042 Moody's. AA3 S&P: A	103.4740	25,868 50	24,839.25	1,029.25	987 50	3 8	0 4
30,000	Domtar Corp DTD 8/23/2012 6 25% 9/1/2042 Moody's BAA3 S&P. BBB-	107.2570	32,177.10	29,874.30	2,302.80	1,875.00	5.8	0.5
30,000	Georgia Power Company DTD 3/15/2013 4 3% 3/15/2043 Moody's: A3 S&P· A	105 1170	31,535 10	29,804.70	1,730.40	1,290.00	4.1	0.5
10,000	Reynolds American Inc DTD 9/17/2013 6.15% 9/15/2043 Moody's· BAA2 S&P· BBB-	115.9670	11,596 70	9,955.30	1,641 40	615.00	5.3	0 2
30,000	Diamond Offshore Drill DTD 11/5/2013 4 875% 11/1/2043 Moody's A3 S&P: A-	85.1920	25,557.60	29,569 50	-4,011.90	1,462 50	5.7	0 4
25,000	Bed Bath & Beyond Inc DTD 7/17/2014 5 165% 8/1/2044 Moody's BAA1 S&P A-	104 6290	26,157 25	24,999 25	1,158.00	1,291 25	4.9	0.4
25,000	Valmont Industries Inc DTD 9/22/2014 5% 10/1/2044 Moody's. BAA2 S&P: BBB+	101 1380	25,284 50	25,028 50	256.00	1,250 00	4.9	0 4

Individual securities Mortgage backed securities

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
31,311 27	Federal Home Loan Mortgage Corp REMIC Passthru CTF DTD 11/1/2003 4.5% 5/15/2032 Series 2700 Class Pg Moody's: N/A S&P: N/A	$ 102 2030	$ 32,001 06	$ 35,240 69	$ -3,239 63	$ 1,409 01	4 4%	0 5%

Individual securities Asset backed securities

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
19,175 67	Cnh Equipment Trust Passthru CTF DTD 5/12/2011 2 04% 10/17/2016 Series 2011-A Class A4 Moody's. AAA S&P. N/A	$ 100.0580	$ 19,186 79	$ 19,171 36	$ 15.43	$ 391.18	2 0%	0 3%
55,000	Ford Credit Auto Lease Trust Passthru CTF DTD 10/30/2013 1.23% 11/15/2016 Series 2013-B Class B Moody's: AA2 S&P: N/A	99 7600	54,868.00	54,989.81	-121.81	676.50	1.2	0.8
50,000	Capital Auto Receivables Asset Trust Passthru CTF DTD 8/21/2013 1 04% 11/21/2016 Series 2013-3 Class A2 Moody's: AAA S&P: AAA	100 2310	50,115 50	49,998.35	117 15	520 00	1.0	0 8
85,000	Hyundai Auto Receivables Trust Passthru CTF DTD 1/27/2011 3% 6/15/2017 Series 2011-A Class C Moody's: AAA S&P: AA	101 1290	85,959.65	84,992 44	967 21	2,550 00	3 0	1 3
50,000	Capital Auto Receivables Asset Trust Passthru CTF DTD 1/24/2013 0 79% 6/20/2017 Series 2013-1 Class A3 Moody's: AAA S&P. AAA	100.0860	50,043 00	49,989.48	53 52	395.00	0.8	0.8
50,000	Bank Of America Auto Trust Passthru CTF DTD 4/18/2012 2.09% 7/17/2017 Series 2012-1 Class C Moody's: AAA S&P: AAA	101.1370	50,568.50	49,982.78	585.72	1,045.00	2.1	0.8

Individual securities Asset backed securities
continued

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
25,000	Carmax Auto Owner Trust Passthru CTF DTD 3/17/2011 3.62% 8/15/2017 Series 2011-1 Class D Moody's AA1 S&P. AA-	100.5150	25,128.75	24,994 90	133 85	905.00	3.6	0.4
25,000	Americredit Automobile Receivables Trust Passthru CTF DTD 4/19/2012 2.64% 10/10/2017 Series 2012-2 Class C Moody's AAA S&P N/A	101 5940	25,398.50	25,828 13	-429.63	660.00	2.6	0 4
35,000	Honda Auto Receivables Owner Trust Passthru CTF DTD 5/21/2014 0 77% 3/19/2018 Series 2014-2 Class A3 Moody's: AAA S&P. AAA	99 7790	34,922.65	34,995.79	-73.14	269 50	0 8	0 5
35,000	Americredit Automobile Receivables Trust Passthru CTF DTD 9/20/2012 1.93% 8/8/2018 Series 2012-4 Class C Moody's N/A S&P AA	100 6180	35,216 30	34,994.93	221.37	675.50	1.9	0 5
40,000	Ally Auto Receivables Trust Passthru CTF DTD 6/18/2014 0 97% 10/15/2018 Series 2014-1 Class A3 Moody's. AAA S&P. AAA	99 6420	39,856 80	39,999.02	-142.22	388.00	1.0	0.6
45,000	Ford Credit Auto Owner Trust Passthru CTF DTD DTD 7/30/2013 1 91% 3/15/2019 Series 2013-C Class C Moody's. N/A S&P AA	100 7050	45,317.25	44,997 66	319.59	859.50	1.9	0.7
35,000	Santander Drive Auto Passthru CTF DTD 6/18/2014 1 45% 5/15/2019 Series 2014-3 Class B Moody's: AA1 S&P: AA	99.8230	34,938.05	34,993 18	-55 13	507.50	1.5	0 5
35,000	Carmax Auto Owner Trust 2013-1 Passthru CTF DTD 2/14/2013 1.99% 8/15/2019 Series 2013-1 Class D Moody's: A3 S&P: BBB	98 9490	34,632 15	35,161.33	-529 18	696 50	2 0	0 5

Individual securities Asset backed securities continued

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
25,000	Americredit Automobile Receivables Trust Passthru CTF DTD 8/15/2013 2.72% 9/9/2019 Series 2013-4 Class C Moody's AAA S&P: A+	101 7230	25,430 75	24,993.73	437.02	680.00	2 7	0.4
40,000	Ford Credit Auto Owner Trust Passthru CTF DTD 06/24/2014 1.95% 2/15/2020 Series 2014-B Class C Moody's: AA2 S&P. N/A	99.8000	39,920 00	39,991 19	-71.19	780.00	2.0	0 6
50,000	Americredit Automobile Recievables Trust Passthru CTF DTD 6/12/2014 2 18% 6/8/2020 Series 2014-2 Class C Moody's AA3 S&P. N/A	99 6730	49,836 50	49,991 38	-154 88	1,090 00	2 2	0 8
35,000	Fifth Third Auto Trust 2014-3 Passthru CTF DTD 10/29/2014 1 47% 5/17/2021 Series 2014-3 Class A4 Moody's: N/A S&P. AAA	99 4010	34,790 35	34,989 34	-198.99	514.50	1 5	0.5

Individual securities Other

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
45,000	Commercial Mortgage Pass Through Passthru CTF DTD 12/1/2013 3 039% 12/10/2018 Certificates Series 2013-CR13 Class A2 Moody's AAA S&P. N/A	$ 103.8200	$ 46,719.00	$ 46,565.52	$ 153.48	$ 1,367.55	2.9%	0.7%
45,000	Pennsylvania ST DTD 5/27/2010 5 35% 5/1/2030 Build America Bonds-Taxable-Second Ser B Moody's. AA3 S&P. AA-	110 8740	49,893 30	44,961 75	4,931 55	2,407 50	4 8	0 8

Individual securities Other
continued

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
35,000	Oregon ST Dept Of Transprtn Highway User Tax Revenue DTD 4/8/2010 5 784% 11/15/2030 Build America Bonds-Taxable-Sub Lien-Ser A-Direct Pmt Moody's AA2 S&P AA+	124 2710	43,494.85	44,250 50	-755.65	2,024 40	4.7	0.7
40,000	New York NY DTD 10/15/2009 5.676% 10/1/2034 Build America Bonds Moody's AA2 S&P. AA	112 5610	45,024 40	37,887.60	7,136.80	2,270 40	5 0	0 7
35,000	Texas ST DTD 9/29/2010 4 681% 4/1/2040 Build America Bonds-Ser A Moody's AAA S&P AAA	117 3550	41,074 25	40,907.65	166.60	1,638 35	4 0	0 6
100,000	Dbubs Mortgage Trust Passthru CTF DTD 8/1/2011 3.642% 8/10/2044 Series 2011-LC3A Class A2 Moody's AAA S&P N/A	103 2390	103,239.00	106,046.88	-2,807.88	3,642.00	3.5	1.6
70,000	G S Mortgage Securities Corporation II Passthru CTF DTD 10/1/2011 2.999% 8/10/2044 Series 2011-GC5 Class A2 Moody's AAA S&P. N/A	102 6430	71,850.10	70,698.15	1,151.95	2,099.30	2.9	1.1
10,000	Comm 2012-LC4 Mortgage Trust Passthru CTF DTD 3/1/2012 Fltg Rate 12/10/2044 Series 2012-LC4 Class B Moody's AA2 S&P. N/A	110.1800	11,018.00	11,380.47	-362.47	493.40	4.5	0.2
40,000	Morgan Stanley Capital I Passthru CTF DTD 3/1/2012 2 111% 3/15/2045 Series 2012-C4 Class A2 Moody's: AAA S&P. N/A	101 6720	40,668.80	40,762 50	-93 70	844 40	2 1	0 6
50,000	Wf-Rbs Commercial Mortgage Trust Passthru CTF DTD 08/01/2012 1.881% 08/15/2045 Series 2012-Cs Class A2 Moody's: AAA S&P: N/A	100 8720	50,436 00	50,156 25	279 75	940.50	1 9	0 8

Individual securities Other
continued

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
50,000	Comm Mortgage Trust Passthru CTF DTD 11/1/2012 1.801% 10/15/2045 Series 2012-CR4 Class A2 Moody's. AAA S&P: AAA	100.2750	50,137.50	50,144.34	-6 84	900 50	1 8	0.8
50,000	Gs Mortgage Securities Trust Passthru CTF DTD 11/1/2012 1.762% 11/10/2045 Series 2012-Gcj9 Class A2 Moody's· AAA S&P· N/A	100 3140	50,157 00	49,638 67	518 33	881 00	1 8	0.8
65,000	Wf-Rbs Commercial Mortgage Trust Passthru CTF DTD 10/1/2012 1.829% 11/15/2045 Series 2012-C9 Class A2 Moody's AAA S&P. N/A	100 3240	65,210 60	64,827.54	383 06	1,188 85	1.8	1.0
20,000	Comm Mortgage Trust Passthru CTF DTD 1/1/2013 3 739% 1/10/2046 Series 2013-LC6 Class B Moody's. AA3 S&P: AA-	102.1870	20,437.40	20,598 47	-161.07	747.80	3 7	0 3
25,000	Wf-Rbs Commercial Mortgage Trust Passthru CTF DTD 12/1/2013 3 027% 12/15/2046 Series 2013-C18 Class A2 Moody's: AAA S&P: N/A	103 4950	25,873 75	25,749 33	124 42	756.75	2 9	0 4
38,230.54	Citigroup Coml Passthru CTF DTD 8/1/2014 Fltg Rate 7/10/2047 Series 14-GC23 Class A-1 Moody's: AAA S&P: N/A	99.5740	38,067 68	38,230.05	-162 37	532 17	1.4	0.6
37,863.43	W F R B S Commercial Mortgage Trust Passthru CTF DTD 8/1/2014 1 413% 8/15/2047 Series 2014-C21 Class A1 Moody's· AAA S&P· N/A	99 8340	37,800 58	37,863 27	-62.69	535.01	1.4	0 6
Total taxable individual securities			$ 6,086,363 55	$ 5,965,349.85	$ 121,013 70	$ 212,029 42		91 6%
Total taxable fixed income			$ 6,086,363.55	$ 5,965,349.85	$ 121,013.70	$ 212,029.42		91.6%

Developed international

Individual securities

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
43,000	Corp Andina De Fomento DTD 6/15/2012 4.375% 6/15/2022 Moody's. AA3 S&P: AA-	$ 107 4860	$ 46,218 98	$ 42,725.63	$ 3,493.35	$ 1,881 25	4.1%	0.7%
Total developed international individual securities			$ 46,218 98	$ 42,725 63	$ 3,493.35	$ 1,881 25		0 7%
Total developed international fixed income			$ 46,218 98	$ 42,725.63	$ 3,493 35	$ 1,881 25		0.7%
Total fixed income			$ 6,132,582 53	$ 6,008,075.48	$ 124,507 05	$ 213,910.67		92.3%
Total assets			$ 6,644,936 66	$ 6,520,406 08	$ 124,530.58	$ 214,329.23		100 0%

Asset detail

Cash and cash equivalents

	Description	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
455,421 75	CRA4 (BNY Mellon, N A., Member FDIC) (Principal Holding)	$ 455,421.75	$ 455,421.75		$ 0 00	0 0%	0 7%
	Principal Cash	-1,166,742 41					
	Income Cash	1,166,742 41					
Total cash and cash equivalents		$ 455,421 75	$ 455,421.75	$ 0 00	$ 0 00		0.7%

Fixed income

Taxable

Pooled vehicle

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
670,635.168	Pioneer Bond Fund-Y	$ 9 7100	$ 6,511,867 48	$ 6,558,548.58	$ -46,681.10	$ 249,476.28	3.8%	10 2%
Total taxable pooled vehicle			$ 6,511,867 48	$ 6,558,548 58	$ -46,681.10	$ 249,476.28		10 2%
Total taxable fixed income			$ 6,511,867.48	$ 6,558,548 58	$ -46,681.10	$ 249,476 28		10 2%
Total fixed income			$ 6,511,867.48	$ 6,558,548 58	$ -46,681 10	$ 249,476.28		10.2%

Equities

U.S. large cap

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
72,544	Powershares S&P 500 Buywrite (PBP) Portfolio	$ 20 7300	$ 1,503,837.12	$ 1,499,992 29	$ 3,844.83	$ 62,025.12	4.1%	2 4%
Total U.S. large cap			$ 1,503,837 12	$ 1,499,992.29	$ 3,844 83	$ 62,025 12		2.4%

Developed international

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
242,114.736	Euro Pac Growth FD Sh Ben INT (AEPGX) Fund 16	$ 47.1300	$ 11,410,867 51	$ 7,792,569 84	$ 3,618,297.67	$ 157,374 58	1 4%	17.9%
522,805 624	Templeton Instl FD Inc Fgn (TFEQX) Equity Svc	20 0500	10,482,252 76	8,423,945.84	2,058,306 92	414,062 05	4 0	16.5
Total developed international			$ 21,893,120 27	$ 16,216,515.68	$ 5,676,604.59	$ 571,436.63		34 4%

Other equity

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
26,000	First Horizon National Corp			unknown	unknown	$ 0 00	0 0%	0 0%
170,131	Marriott International Inc Class A					0 00	0 0	0.0
375,598 283	Alger Smid Cap Growth Fund (ASMZX)	17.3000	6,497,850.30	6,198,834 19	299,016 11	0.00	0.0	10.2
59,584.021	Gateway Fund (GTEYX)	29 5700	1,761,899.50	1,583,151 03	178,748.47	27,110 73	1 5	2 8
132,570.518	Vanguard Instl Index FD Sh Ben INT (VINIX)	188 6700	25,012,079 63	17,463,411 18	7,548,668 45	470,757.91	1.9	39.3
Total other equity			$ 33,271,829 43	$ 25,245,396 40*	$ 8,026,433 03*	$ 497,868 64		52 3%
Total equities			$ 56,668,786 82	$ 42,961,904.37*	$ 13,706,882.45*	$ 1,131,330.39		89.0%
Total assets			$ 63,636,076 05	$ 49,975,874.70*	$ 13,660,201 35*	$ 1,380,806 67		100 0%

(*tax cost for one or more lots is unknown)

Asset detail

Cash and cash equivalents

	Description	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
99,409 99	CRA4 (BNY Mellon, N.A , Member FDIC) (Principal Holding)	$ 99,409 99	$ 99,409.99		$ 0 00	0 0%	1 6%
	Principal Cash	-148,902 26					
	Income Cash	148,902 26					
Total cash and cash equivalents		$ 99,409 99	$ 99,409 99	$ 0 00	$ 0.00		1.6%

Equities

U.S. large cap

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
4,478	Nabors Industries Ltd (NBR)	$ 12 9800	$ 58,124.44	$ 79,649 45	$ -21,525 01	$ 1,074.72	1 9%	0.9%
2,098	Allegheny Technologies Inc (ATI) *to Be Spun Off From Alghnyteledyne	34.7700	72,947 46	88,829.93	-15,882.47	1,510 56	2.1	1 2
1,860	Autodesk Inc (ADSK)	60 0600	111,711.60	68,394.04	43,317.56	0.00	0.0	1.8
3,670	Borg-Warner Automotive Inc (BWA)	54.9500	201,666.50	50,563.09	151,103.41	1,908.40	1.0	3.2
3,257	C B R E Group,Inc (CBG)	34 2500	111,552.25	67,594 33	43,957 92	0.00	0 0	1.8
1,250	Cabot Corp (CBT)	43 8600	54,825.00	52,810 93	2,014 07	1,100 00	2 0	0.9
1,190	Covance Inc (CVD)	103 8400	123,569.60	67,184.48	56,385 12	0 00	0.0	2.0
1,394	Cummins Inc (CMI)	144 1700	200,972 98	36,858 71	164,114 27	4,349 28	2 2	3 2
5,030	D R Horton Inc (DHI)	25 2900	127,208.70	130,758.72	-3,550.02	1,257.50	1.0	2.0
2,090	Eastman Chem Co (EMN)	75 8600	158,547.40	57,631 38	100,916 02	3,344 00	2 1	2 5
1,430	Intuit (INTU)	92 1900	131,831 70	32,430 83	99,400 87	1,430 00	1 1	2.1
10,058	Keycorp New (KEY)	13 9000	139,806.20	75,453.88	64,352.32	2,615.08	1 9	2.2
4,290	Masco Corp (MAS)	25 2000	108,108 00	80,390 00	27,718 00	1,544 40	1 4	1.7
2,733	Newfield Expl Co (NFX)	27 1200	74,118 96	92,461.14	-18,342.18	0.00	0 0	1.2
1,900	Raymond James Finl Inc (RJF)	57 2900	108,851.00	54,163.68	54,687 32	1,368 00	1 3	1 7

Equities

U.S. large cap
continued

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
3,600	Republic Svcs Inc Cl A (RSG)	40 2500	144,900 00	89,588 15	55,311.85	4,032.00	2 8	2 3
1,670	SBA Communications Corp (SBAC)	110 7600	184,969.20	30,615.99	154,353.21	0 00	0.0	2.9
3,270	Sealed Air Corp New (SEE)	42 4300	138,746.10	59,720.66	79,025 44	1,700 40	1.2	2 2
1,070	Snap On Inc (SNA)	136.7400	146,311.80	38,259.81	108,051.99	2,268.40	1.6	2.3
1,990	Xilinx Inc (XLNX)	43 2900	86,147.10	56,088 15	30,058.95	2,308.40	2 7	1.4
Total U.S large cap			$ 2,484,915.99	$ 1,309,447 35	$ 1,175,468.64	$ 31,811.14		39.5%

U.S. mid cap

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
581	Renaissance Re Hldgs Ltd ADR (RNR)	$ 97 2200	$ 56,484.82	$ 53,654.95	$ 2,829.87	$ 673.96	1.2%	0.9%
4,775	American Equity Invt Life Hldg Co (AEL) Com	29 1900	139,382.25	69,292.66	70,089 59	955 00	0.7	2.2
4,300	Astoria Financial Corp (AF)	13 3600	57,448 00	67,623.62	-10,175 62	688 00	1.2	0 9
2,132	Cabot Microelectronics Corp (CCMP)	47 3200	100,886 24	90,117 65	10,768 59	0 00	0 0	1 6
2,150	Centene Corp Del (CNC)	103 8500	223,277.50	45,586.54	177,690 96	0 00	0 0	3.5
1,380	Darden Restaurants Inc (DRI)	58.6300	80,909.40	55,089 33	25,820.07	3,036 00	3.8	1.3
2,040	Eaton Vance Corp (EV) Com Non VTG	40 9300	83,497.20	54,924.96	28,572 24	2,040 00	2.4	1 3
6,853	Entegris Inc (ENTG)	13 2100	90,528.13	63,078 35	27,449 78	0.00	0.0	1.4
3,270	Flir Sys Inc (FLIR)	32 3100	105,653.70	42,494.96	63,158.74	1,308.00	1.2	1.7
1,320	Global Pmts Inc (GPN)	80 7300	106,563 60	69,200.34	37,363 26	105.60	0 1	1.7
2,451	Hexcel Corp New (HXL)	41.4900	101,691.99	54,431.71	47,260.28	0 00	0.0	1.6
1,160	Huntington Ingalls Industries Inc (HII)	112 4600	130,453 60	78,655 88	51,797.72	1,856.00	1 4	2.1
2,165	International Speedway Corp Cl A (ISCA)	31 6500	68,522 25	72,657 65	-4,135 40	519 60	0 8	1 1
1,006	Joy Global Inc (JOY)	46.5200	46,799 12	61,922 41	-15,123 29	804 80	1.7	0 7
1,540	Mednax Inc (MD)	66 1100	101,809.40	61,120.99	40,688 41	0 00	0 0	1 6

U.S. mid cap
continued

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
1,908	Meritage Homes Corporation (MTH)	35 9900	68,668 92	77,760 06	-9,091.14	0 00	0 0	1 1
1,500	Moog Inc Cl A (MOG.A)	74.0300	111,045.00	58,194.66	52,850.34	0 00	0.0	1.8
1,920	Protective Life Corp (PL)	69 6500	133,728.00	62,378.17	71,349 83	1,843 20	1.4	2.1
1,330	Reinsurance Group Of America (RGA) Incorporated	87 6200	116,534 60	75,646 71	40,887.89	1,755 60	1 5	1 9
1,312	Ryder System Inc (R)	92.8500	121,819.20	86,226.01	35,593.19	1,941 76	1 6	1 9
1,478	The Scotts Miracle-Gro Company (SMG)	62 3200	92,108 96	69,213 29	22,895.67	2,660 40	2 9	1 5
2,109	Sonoco Products Co (SON)	43.7000	92,163.30	72,029.32	20,133.98	2,699.52	2 9	1.5
1,180	South Jersey Inds Inc (SJI)	58.9300	69,537 40	52,945.38	16,592.02	2,371 80	3 4	1 1
2,037	Stifel Financial Corp (SF)	51 0200	103,927 74	78,821 55	25,106 19	0 00	0 0	1 7
2,130	Synopsys Inc (SNPS)	43 4700	92,591 10	48,629.09	43,962 01	0 00	0 0	1.5
1,197	Tal International Group Inc (TAL)	43 5700	52,153.29	49,287.47	2,865 82	3,447.36	6.6	0.8
2,050	Timken Co (TKR)	42.6800	87,494 00	40,797.34	46,696.66	2,050 00	2.3	1 4
1,020	Timkensteel Corporation (TMST)	37 0300	37,770 60	16,405 46	21,365 14	571 20	1 5	0.6
2,280	Trustmark Corp (TRMK)	24 5400	55,951 20	54,935 09	1,016.11	2,097.60	3 8	0 9
2,633	United Bankshares Inc W VA (UBSI)	37 4500	98,605 85	59,999 49	38,606 36	3,370 24	3.4	1 6
1,380	United Nat Foods Inc (UNFI)	77 3250	106,708.50	57,835.33	48,873 17	0.00	0.0	1 7
1,850	Valspar Corp (VAL)	86 4800	159,988 00	51,977 92	108,010 08	2,220 00	1 4	2 5
1,530	Wgl Hldgs Inc (WGL)	54 6200	83,568 60	54,092 63	29,475.97	2,692 80	3 2	1 3
1,454	Whiting Petroleum Corp (WLL)	33 0000	47,982.00	62,217.12	-14,235.12	0.00	0 0	0.8
Total U.S mid cap			$ 3,226,253.46	$ 2,069,244 09	$ 1,157,009 37	$ 41,708.44		51 2%

U.S. small cap

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
2,406	Cai International Inc (CAP) Com	$ 23 2000	$ 55,819 20	$ 54,023.70	$ 1,795 50	$ 0 00	0 0%	0 9%
1,830	Cash America International Inc (CSH)	22.6200	41,394.60	37,764.18	3,630 42	256.20	0 6	0 7
1,674	Enova International, Inc (ENVA)	22.2600	37,263.24	41,946 94	-4,683 70	0 00	0 0	0 6

U.S. small cap
continued

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
2,371	First Interstate Bancsystem Inc (FIBK)	27.8200	65,961 22	65,848 62	112.60	1,517 44	2 3	1.1
2,570	Swift Energy Co (SFY)	4 0500	10,408 50	81,359 14	-70,950 64	0 00	0 0	0 2
Total U.S. small cap			$ 210,846.76	$ 280,942.58	$ -70,095.82	$ 1,773 64		3.4%

Developed international

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
7,690	Flextronics Intl Ltd (FLEX) Ord	$ 11.1800	$ 85,974 20	$ 59,922.09	$ 26,052 11	$ 0 00	0 0%	1.4%
Total developed international			$ 85,974 20	$ 59,922 09	$ 26,052.11	$ 0 00		1 4%

Equity reits

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
1,190	Alexandria Real Estate Equities, Inc(ARE)	$ 88.7400	$ 105,600 60	$ 93,724 06	$ 11,876 54	$ 3,522 40	3 3%	1 7%
6,382	Medical Properties Trust Inc (MPW)	13 7800	87,943.96	75,682 38	12,261.58	5,360 88	6.1	1 4
Total equity reits			$ 193,544 56	$ 169,406 44	$ 24,138 12	$ 8,883 28		3.1%
Total equities			$ 6,201,534 97	$ 3,888,962 55	$ 2,312,572 42	$ 84,176 50		98.4%
Total assets			$ 6,300,944 96	$ 3,988,372.54	$ 2,312,572.42	$ 84,176.50		100.0%

Asset detail

Cash and cash equivalents

	Description	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
11,751 18	CRA4 (BNY Mellon, N A , Member FDIC) (Principal Holding)	$ 11,751 18	$ 11,751 18		$ 0 00	0 0%	0.1%
	Principal Cash	8,171.12					
	Income Cash	-8,171 12					
Total cash and cash equivalents		$ 11,751 18	$ 11,751 18	$ 0 00	$ 0 00		0 1%

Alternative investments

Private equity

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
1	Flag Ventures Partners, VIII LP	$ 259,921 0000	$ 259,921 00	$ 110,000 00	$ 149,921 00	$ 0 00	0.0%	1 4%
1	Rcp Fund VIII Feeder, Ltd	319,772.6300	319,772.63	150,000.00	169,772.63	0.00	0.0	1.7
1	Rcp Fund VI, LP	344,904 1600	344,904.16	188,830 44	156,073.72	0.00	0 0	1.8
1	Flag Private Equity IV, L.P.	346,514.2700	346,514.27	145,000.00	201,514.27	0.00	0.0	1.8
1	Capital Dynamics Champion Venture V, LP	403,915.0000	403,915.00	256,560.00	147,355.00	0.00	0.0	2.1
1	Rcp Fund II, LP	213,548 3300	213,548 33	347,187.15	-133,638.82	0.00	0 0	1.1
1	Hrj Capital Vc V (Foreign)	95,229.0000	95,229 00	81,254.00	13,975.00	0 00	0.0	0 5
1	Rcp Secondary Opportunity Fund	319,362 2100	319,362 21	228,108 73	91,253.48	0 00	0 0	1 7
1	Metropolitan Real Estate Partners Globalii, LP	547,138.0000	547,138.00	568,938.12	-21,800.12	0.00	0.0	2 9
1	Hrj Special Opportunities I Fund, LP	640,743 0000	640,743 00	774,031 49	-133,288 49	0 00	0 0	3.3
1	Flag Private Equity II, LP	602,341 6100	602,341.61	723,211.70	-120,870.09	0.00	0 0	3 1
1	Flag Venture Partners VII, LP	561,889.8100	561,889.81	218,943.03	342,946.78	0.00	0 0	2.9
1	Abs Offshore Spc Asset Not Held	2,549,091.4600	2,549,091.46	2,000,000 00	549,091.46	0.00	0.0	13 3

Alternative investments

Private equity
continued

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
1	Aew Capital Management Asset Not Held	2,580,000 0000	2,580,000 00	2,000,000.00	580,000 00	0.00	0.0	13.4
Total private equity			$ 9,784,370 48	$ 7,792,064 66	$ 1,992,305 82	$ 0 00		50.9%

Alternatives other

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
1	Archstone Equity Strategies Fund, Ltd	$ 4,538,412.0000	$ 4,538,412.00	$ 3,000,000.00	$ 1,538,412.00	$ 0.00	0.0%	23.6%
1	CF Pvt Advisors Stable Value Ltd Cl A-1 Ser Ff FD	3,952,590.0000	3,952,590.00	3,000,000.00	952,590.00	0 00	0 0	20 6
Total alternatives other			$ 8,491,002.00	$ 6,000,000.00	$ 2,491,002.00	$ 0 00		44 2%
Total alternative investments			$ 18,275,372 48	$ 13,792,064.66	$ 4,483,307.82	$ 0 00		95.1%

Other assets

Other

Shares/par value	Description	Market price	Market value	Tax cost	Unrealized gain (or loss)	Estimated annual income	Current yield	Pct of holdings
1	European Strategic Partners 2006 A	$ 934,538 0000	$ 934,538 00	$ 491,075 34	$ 443,462 66	$ 0.00	0 0%	4 9%
Total other			$ 934,538 00	$ 491,075 34	$ 443,462 66	$ 0 00		4 9%
Total other assets			$ 934,538 00	$ 491,075 34	$ 443,462 66	$ 0.00		4 9%
Total assets			$ 19,221,661 66	$ 14,294,891 18	$ 4,926,770.48	$ 0 00		100 0%

STRANAHAN FOUNDATION
RULES OF PROCEDURE

PREAMBLE

In accordance with paragraph 14 of the Stranahan Foundation Declaration of Trust, dated December 29, 1944, which provides that the Trustees may adopt their own rules of procedure, the Foundation Trustees have adopted the rules of procedure hereafter set forth.

Each of the present Trustees, and those who are elected in the future, will accept membership on the Board only on condition that their term as a Trustee will be subject to the provisions of Article I, Section 5, and that they are subject to removal as a Trustee as provided in Article I, Section 6, of the Rules of Procedure and as the same may be amended, notwithstanding any conflicting provisions in the Declaration of Trust.

ARTICLE I
BOARD OF TRUSTEES

Section 1: General Powers. The affairs of the Foundation shall be managed by its Board of Trustees, hereinafter sometimes referred to as the "Board". At least 75% of the members of the Board shall be lineal descendants, by blood or adoption, of the Foundation's founders (Robert A. Stranahan and Frank D. Stranahan) or family members of lineal descendants of the founders.

Section 2: Number. The number of Trustees on the Board shall be not more than fifteen (15). The number of Trustees shall be fixed (up to 15) from time to time by the Board and the number so fixed shall comprise the entire Board of Trustees.

Section 3: Vacancies. In the case of any vacancy on the Board through death, resignation, disqualification or other cause, the remaining Trustees upon nomination by the Trustees Committee may elect a successor to serve for the unexpired portion of the term of such resigned, removed or deceased Trustee.

Section 4: Compensation. Trustees shall not receive any compensation for their services, however the Foundation will offer to reimburse the Trustees for any reasonable, ordinary and necessary expenses incurred in connection with the performance of their duties as Trustees of the Foundation.

Section 5: Term of Office and Election. Upon nomination as herein provided in Section 7, Trustees shall be elected to serve for a five (5) year term and until their successors are duly elected and take office. Trustees shall take office immediately following the vote for ratification of their election at the Annual Meeting of the Trustees.

A Trustee shall not be eligible to be elected to more than two consecutive terms of five (5) years and thereafter shall remain ineligible to serve as a Trustee until having been out of office for one (1) year. However, if circumstances justify an additional term or terms for a Trustee who has served two consecutive five (5) year terms, the Board by a vote of three-fourths (3/4) of the Trustees who are then serving on the Board may waive the requirement that the Trustee be out of office for a period of one (1) year and re-elect the Trustee to an additional term to commence immediately.

Section 6: Removal of Trustee. A Trustee may be removed from office by the vote of three-fourths (3/4) of the Trustees who are then serving on the Board at a meeting called for that purpose.

Section 7: Nomination. The following process shall be used to fill vacancies on the Board of Trustees:

- Step A –A list of qualified candidates (prepared by the Trustees Committee) will be discussed in an executive session at the first Board of Trustees meeting held each year;
- Step B – Additional Trustee input regarding the list of possible candidates (including additional names that any Trustee would like to add to the list), will be submitted to the Foundation office by **June 15th** each year;
- Step C – Taking Trustee input into consideration, the Trustees Committee will develop a slate of candidates as well as alternate candidates. Alternate candidates may be approached if any individual on the initial slate of candidates is unable to serve. The slate of candidates and alternate candidates will be sent to the full Board of Trustees by **July 15th** each year;
- Step D – The full Board of Trustees will meet via teleconference to vote on the proposed slate of candidates and alternate candidates by **August 1st** each year;
- Step E – Immediately following the Board of Trustees teleconference meeting referenced in Step D above, the Trustees Committee will approach the approved slate of candidates (and alternate candidate(s) if necessary) regarding their availability to serve;
- Step F – The election of the new Trustees will be ratified at the annual meeting each year, at which time the newly constituted Board will meet as a whole.

Section 8: Emeritus Trustees. Upon nomination as provided in Section 7, the Board may elect one or more persons as Emeritus Trustees, who shall serve until death, resignation or removal. Emeritus Trustees shall be invited to meetings of the Board and, if they so desire, be provided with all of the background materials furnished to the other Trustees, but shall have no powers or responsibilities as Emeritus Trustees.

ARTICLE II
MEETINGS

Section 1: Annual Meeting. The Annual Meeting of the Board for the purpose of electing Trustees or officers, and/or for transactions of such other business as may properly be brought before the meeting, shall be held each calendar year at such time and place as is fixed in the manner set forth in Section 2 of this Article.

Section 2: Regular Meetings. Regular meetings of the Board may be held at such time and at such places within or without the State of Ohio as may from time to time be determined by resolution of the Board, which resolution may authorize the President to fix the specific date and place of each of such meetings, in which case notice of the time and place of such meeting shall be given in the manner hereinafter provided.

Section 3: Special Meetings. If the Board as a whole is comprised of thirteen (13) or more Trustees, special meetings of the Board may be called by the President or Secretary at the request of at least (but not fewer than) four (4) Trustees, or as may otherwise be provided by law. If the Board as a whole is comprised of fewer than thirteen (13) Trustees, special meetings of the Board may be called by the President or Secretary at the request of at least (but not fewer than) three (3) Trustees, or as may otherwise be provided by law. Any request for such meetings shall state the purpose or purposes of the proposed meeting.

Section 4: Notice. Unless waived, notice of the Annual and any Regular or Special Meeting of the Board shall be given not less than ten (10) days before any such meeting, stating the day, hour and place and the purpose or purposes thereof, by personal delivery, FAX, mailing or e-mailing to each Trustee.

Section 5: Quorum. A majority of the Trustees then in office shall constitute a quorum for the transaction of business and the action of a majority of the Trustees present at a meeting at which a quorum is present shall be the action of the Board unless otherwise provided in these Rules.

Section 6: Conduct of Meeting. Meetings of the Board shall be presided over by the President, Vice President or Secretary of the Foundation or another Trustee designated by the President.

Section 7: Telephonic Conferences. A Trustee may participate in a meeting of the Board by a conference telephone or similar communication equipment if all participants are advised of the communications equipment and the names of the participants in the conference are divulged to all participants. Participation in a meeting pursuant to this section constitutes presence in person at the meeting.

ARTICLE III
OFFICERS

Section 1: Officers. The officers of the Foundation shall be the President, Vice President, Secretary, Treasurer, the Chairman of the Trustees Committee, the Principal Administrative Officer, and such other officers and assistant officers as may be deemed necessary by the Board of Trustees. The Principal Administrative Officer shall be the individual appointed (by the Board of Trustees) to fill the position of Executive Director, CEO or similar title that may be assigned to such position from time to time.

Except for the Principal Administrative Officer, all officers shall be members of the Board of Trustees.

Officers shall, subject to the direction and control of the Board of Trustees, carry out the responsibilities outlined in Sections 4 – 8 below.

Section 2: Term of Office. The term of office of all officers, (except for the Principal Administrative Officer, who serves at the will of the Board) shall commence upon their election or appointment and shall continue for two (2) years until the Annual Meeting of the Foundation and thereafter until their respective successors are chosen. An officer shall not be eligible to be elected for more than two (2) consecutive terms unless circumstances justify an additional term or terms and the Board by a vote of three-fourth (3/4) of the Trustees who are then serving on the Board approves each additional term. An officer may resign by written notice (which may be submitted via personal delivery, FAX, mailing or Email) to the Foundation. The resignation shall be effective upon its receipt by the Foundation or at a subsequent time specified in the notice of resignation. The Board shall have the power to fill any vacancies in any office occurring for whatever reason.

Section 3: Removal. Any Officer of the Foundation elected or appointed by the Board may be removed by the vote of three-fourths (3/4) of the Trustees who are then serving on the Board, whenever in their judgment the best interests of the Foundation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4: President. The President shall be the principal executive officer of the Foundation and shall, in general, supervise all the business and affairs of the Foundation. The President shall preside at meetings of the Board of Trustees and the Executive Committee.

Section 5: Vice President. In the absence or disability of the President, the Vice President shall perform the duties of the President and when so acting shall have the powers of and be subject to all the restrictions upon the President. The Vice President shall perform other duties as from time to time may be assigned by the President.

Section 6: Secretary. The Secretary shall attend the meetings of the Board and record all votes and minutes of all proceedings. The Secretary shall give or cause to be given, notice of all meetings of the Board for which notice may be required, and shall perform such other duties as may be prescribed by the Board or by the President. In the absence or disability of the Secretary an Assistant Secretary may be appointed to perform the duties of the Secretary.

Section 7: Treasurer. The Treasurer shall have supervision of all finances. The Treasurer is charged with the duty of ensuring the safe custody of all funds and securities of the Foundation, and shall cause to be kept adequate and correct accounts of the business transactions of the Foundation. The Treasurer shall in general perform all other such duties as may from time to time be assigned by the President.

Section 8: Principal Administrative Officer: The Principal Administrative Officer of the Foundation shall have such duties and responsibilities as are properly assigned by the other officers and the Board of Trustees.

Section 9: General Powers as to Negotiable Paper. The Board shall, from time to time prescribe the manner of signature or endorsement of checks, drafts, notes, acceptances, bills of exchange, obligations and other negotiable paper or other instruments for the payment of money and designate the officer or officers agent or agents, who shall from time to time be authorized to make, sign or endorse the same on behalf of the Foundation.

Section 10: Power as to Other Documents. The Board may authorize any officer or officers, agent or agents to enter into any contract or execute or deliver any conveyance or other instrument in the name of the Foundation, and such authority may be general or confined to specific instances. When the execution of any contract, conveyance, or other instrument has been authorized without specification of the officers authorized to execute, the same may be executed on behalf of the Foundation by the President or Vice President, the Secretary or the Treasurer.

ARTICLE IV
COMMITTEES

Section 1: Executive Committee. The Executive Committee shall consist of: (a) the President; (b) the Vice President; (c) the Treasurer; (d) the Secretary; (e) the Chair of Trustees Committee; and (f) one at-large member to be recommended by the Trustees Committee and approved by the full Board of Trustees. The at-large member shall be appointed to serve a two-year term.

The Executive Committee shall have and may exercise the powers of the Board in the interim between meetings of the Board, subject to such conditions and limitations as the Board may from time to time impose. The Executive Committee shall also be responsible for reviewing, revising and acting on the annual operating budget for the Foundation including the compensation and other benefits to be paid to the employees of the Foundation. The Executive Committee shall forward the approved annual operating budget to the full Board for review.

The Executive Committee shall keep full and accurate records and accounts of its proceedings and transactions. All actions of the Executive Committee shall be reported to and reviewed by the Board at its meeting next succeeding such actions and upon review the Board may ratify, modify or- disaffirm such actions, provided that no rights of any third party shall be prejudicially affected thereby.

Section 2: Meetings of Executive Committee. Subject to the provisions of these Rules, the Executive Committee shall fix its own rules of procedure and shall meet as provided by such rules, or by resolution of the Board or at the call of the President or any two Trustees of the Committee. A majority of the Executive Committee shall be necessary to constitute a quorum. The Executive Committee may act in writing, or by telephone, e-mail or FAX, with written confirmation, without a meeting, but no such action without a meeting of the Executive Committee shall be effective unless agreed to by all the Trustees who serve on the Committee.

Section 3: Appointment of Committees. After gathering input from Trustees (by way of an annual survey) regarding desired committee assignments and after consulting with Committee Chairs and others as appropriate, the President shall prepare the list of committee assignments. The committee membership list shall be finalized by the President and distributed to the full Board prior to the annual meeting each year. From time to time throughout the year, the President, in consultation with Committee Chairs, may invite additional individuals to join committees. The addition of any such committee members shall be reported to the Board of Trustees at its next meeting.

Trustees and other family members will be encouraged to provide input regarding committee assignments that may be of interest to them.

Committees shall include at least three (3) Trustees

The Trustees Committee and the Executive Committee shall be comprised solely of Trustees. Other committees may include non-Trustee members.

Section 4: Chairman. One Trustee on each committee shall be appointed Chair by the Board President who, prior to making such appointments, shall consult with the Trustees Committee and the Principal Administrative Officer regarding potential candidates to serve as the Chair for each Committee.

Section 5: Term of Office. Except for the Executive Committee, each committee shall be appointed for a term of two (2) years.

Section 6: Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the manner as provided in the case of the original appointment.

Section 7: Quorum. Unless otherwise provided in the resolution of the Board of Trustees designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of Committee members present at a meeting at which a quorum is present shall be the act of the Committee provided that at least one current Trustee who is member of the Committee is among those present.

Section 8: Rules. Each committee may adopt its own rules not inconsistent with these Rules or with any rules adopted by the Board. Notices of meetings, recording of notes and keeping of minutes shall be in the manner agreed upon by each committee and minutes of each committee meeting shall be reported to the Board at its next meeting. The calendar of meetings shall be made available on the Foundation's website and any Trustee may attend any committee meeting except the Trustees Committee or the Executive Committee, attendance at which shall be limited to the members of these Committees and staff assigned to support the work of the Committees.

Section 9: Finance Committee. The Treasurer shall be a Trustee member of the Finance Committee and shall serve as its Chairman. The Finance Committee shall have oversight responsibility for the investment of the Foundation's assets in accordance with Board-approved investment policies as well as oversight of the financial operations of the Foundation including the annual financial audit or review.

Section 10: Community Stewardship Committee. The Community Stewardship Committee shall include not fewer than three (3) nor more than seven (7) Trustees whose responsibility shall be to recommend to the Board the manner in which the income and principal of the Foundation shall be distributed for charitable purposes consistent with the Board-approved guidelines for the Community Stewardship grant program and consistent with all federal and/or state laws and regulations governing such distributions by private foundations. The Board may by resolution authorize the Committee, without further action of the Board, to determine the amount and to whom such distributions shall be made subject to such limits on amounts and charitable purposes as the Board may establish. Such actions shall be fully reported to the Board at its meeting next succeeding such action.

On the infrequent occasions when a grant recipient requests a modification to the Board-designated terms and conditions of a grant previously made to it by the Stranahan Foundation, the Principal Administrative Officer may (after consulting with the Community Stewardship Committee Chair or the Board President) authorize modifications to the terms of a previously approved grant if said modification would not result in a substantive change to the project as originally approved by the Board of Trustees.

If a requested modification would result in a substantive change to the project, the request would be forwarded to the Community Stewardship Committee for consideration. The Community Stewardship Committee may approve such changes/modifications. However, if a Board meeting is imminent the decision to modify such a request will be made by the full Board.

In any event, any modifications/changes (whether approved by the Principal Administrative Officer or the Community Stewardship Committee) will be reported at the next Board meeting.

The Community Stewardship Committee shall also be responsible for monitoring the results of the Foundation's Community Stewardship grant-funded programs.

Section 11: Trustees Committee. This Committee, which shall consist only of persons who are Trustees, shall have responsibility for proposing nominees for officers and for Trustees for election to the Board in accordance with the provisions set forth in Article I, Section 7 hereof, or as vacancies on the Board may occur in accordance with the provisions of Article I, Section 3 hereof. The Committee's nominations shall assure that at least 75% of the Trustees shall be lineal descendants of the Foundation's founders as specified in Article I, Section 1 hereof. The Trustees Committee shall also be responsible for developing and implementing plans to engage family members in the work of the Foundation, including identifying and recruiting family members to serve as non-Trustee members of Committees or in other volunteer capacities. The Trustees Committee meetings will be open only to members of the Committee and staff assigned to assist the Committee in its work.

Section 12: *Strategic Initiatives Committee.* The Strategic Initiatives Committee shall research potential grant opportunities that fall within Board approved areas of interest for the Strategic Initiatives grant program. The Committee shall also recommend to the Board the manner in which the income and principal of the Foundation shall be distributed for charitable purposes consistent with the Board-approved areas of interest for the Strategic Initiatives grant program and consistent with all federal and/or state laws and regulations governing such distributions by private foundations. The Board may by resolution authorize the Committee, without further action of the Board, to determine the amount and to whom such distributions shall be made subject to such limits on amounts and charitable purposes as the Board may establish. Such actions shall be fully reported to the Board at its meeting next succeeding such action.

The Strategic Initiatives Committee shall also be responsible for monitoring the results of the Foundation's Strategic Initiatives grant-funded programs.

Section 13: Other Committees or Task Forces. The President may with the approval of the Board appoint other committees or task forces for special purposes as from time to time may be necessary or appropriate.

ARTICLE V
INDEMNIFICATION, INSURANCE AND CONFLICTS OF INTEREST

Section 1: Indemnification. Amendment No. 3 to the Stranahan Foundation Declaration of Trust authorizes the Foundation "(m) To provide indemnification and reimbursement to Trustees, officers, employees, agents or volunteers of the Stranahan Foundation under such terms, conditions, and circumstances as the Trustees shall from time to time deem appropriate as shall be set forth in the Rules of Procedure of the Stranahan Foundation."

It is the intent of the Stranahan Foundation Board of Trustees to indemnify and reimburse each Trustee, officer, employee, agent or volunteer of the Foundation who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that such person is or was a Trustee, officer, employee, agent or volunteer hereunder, against all attorneys' fees, judgments, fines, and amounts paid in settlement (other than taxes, penalties, or expenses of correction) actually and reasonably incurred by such Trustee, officer, employee, agent or volunteer in connection with such action, suit or proceeding if such Trustee, officer, employee, agent or volunteer acted in good faith and in a manner such Trustee, officer, employee, agent or volunteer reasonably believed to be in, or not opposed to, the best interests of the Trust, and with respect to any criminal action or proceeding, such Trustee, officer, employee, agent or volunteer had no reasonable cause to believe such Trustee's, officer's, employee's, agent's or volunteer's conduct was unlawful; and to pay premiums for insurance to reimburse the Trust for any indemnification payment made pursuant to this authorization.

It is the intent of this section to provide the maximum protection and indemnification permissible under Ohio Revised Code section1702.12, which is herein incorporated by reference.

Section 2: Conflict of Interest.-The following policy shall be followed regarding conflicts of interest:

a) **Conflict of Interest Policy and Confidentiality Statement** as outlined in Exhibit A, which is attached to and incorporated herein as part of these Rules of Procedure.

b) Transactions Not Void or Voidable. No contract or transaction shall be void or voidable with respect to the Foundation for the reason that it is between the Foundation and one or more of its trustees, officers, or committee members, or between the Foundation and any other person, firm or corporation in which one or more of the Foundation's trustees, officers or committee members are directors, trustees, officers or have a financial or personal interest, if in any such case:

1. The material facts both as to that interested member's, trustee's or officer's, or committee member's relationship or interest and as to the contract or transaction are disclosed or are known to the trustees and the trustees in good faith, reasonably justified by such facts, authorize the contract or transaction by the affirmative vote of a majority of the disinterested trustees; and

2. The contract or transaction is fair as to the Foundation as of the time it is authorized or approved by the trustees.

Section 3: Insurance. The Foundation may purchase and maintain insurance on behalf of any person who is or was a Trustee, officer, employee or agent of the Foundation, or who is or was serving at the request of the Foundation as a Trustee, director, officer, employee or agent of another foundation, partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Foundation would have the power to indemnify such person against such liability under the provisions of the Article V.

ARTICLE VI
BOOKS AND RECORDS

The Foundation shall keep correct books and records of account and shall also keep minutes of the proceedings of its Board of Trustees and its committees.

ARTICLE VII
FISCAL

The fiscal year of the Foundation shall be fixed by resolution of the Board of Trustees.

ARTICLE VIII
WAIVER OF NOTICE

Whenever any notice is requested to be given under the provisions of the law of the State of Ohio or under the provisions of the Rules of Procedure of the Foundation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE IX
AMENDMENTS

The power to alter, amend, or repeal these Rules or adopt new Rules shall be vested in the Board of Trustees. Such action may be taken at a regular or special meeting for which written notice (submitted via personal delivery, FAX, mail or email) of the purpose shall be given by the vote of three-fourths (3/4) of the Trustees who are then serving on the Board. The Rules may contain any provision for the regulation and management of the affairs of the Foundation not inconsistent with the law or the Stranahan Foundation Declaration of Trust.

EXHIBIT A to Rules of Procedure
Stranahan Foundation
Conflict of Interest Policy and Confidentiality Statement
Approved by Board of Trustees November 2012

I. LEGAL COMPLIANCE

The Stranahan Foundation (hereinafter referred to as the Foundation) must comply with all federal, state and local laws and regulations applicable to the Foundation.

Federal laws addressing conflicts of interest include (but are not limited to) the self-dealing and excess business holding rules set forth in the Internal Revenue Code. To assist Trustees and committee members in understanding the afore-mentioned rules, copies of the following are attached to this policy statement:

- Summary of the IRS self-dealing rules (Appendix A)
- Summary of the IRS excess business holding rules (Appendix B)
- IRS definition of disqualified persons (Appendix C)

State of Ohio laws addressing conflicts of interest include (but are not limited to) those set forth in the Ohio Revised Code Section 5808.0 pertaining to Duty of Loyalty. To assist Trustees and committee members in understanding the afore-mentioned rules, a copy of the following is attached to this policy statement:

- Excerpt from Ohio Revised Code Section 5808.0, Duty of loyalty to beneficiaries - voidable transactions - conflicts of interest (Appendix D)

This policy statement supplements, but does not replace, any federal, state or local laws/regulations applicable to the Foundation.

II. PURPOSE OF CONFLICT OF INTEREST POLICY

Beyond compliance with basic legal requirements as referenced above, this policy statement is intended to assist the Foundation Trustees in identifying and managing a variety of risks associated with conflicts of interest, such as:

- The risk of bias or the appearance of bias in the Board's decision-making, which can damage trust among Board, family, staff and the grantee community
- The risk of damaging the Foundation's public reputation and the broad public trust it enjoys
- The risk of discouraging Board and committee members from becoming actively involved in their communities

As a steward of the public trust, the Foundation is committed to consistently ating situations in which any Trustee or committee member unduly influences (or may appear to influence) or gains (or may appear to gain) personal benefit from any grant, investment, contract or other transaction.

The Foundation's Trustees and committee members have broad interests and participate in numerous community, charitable and business activities. In fact, the Foundation seeks to engage individuals who have a broad range of experiences because such experiences prepare them to serve more effectively in their roles as Trustees and committee members. So as not to render service impossible solely by reason of potential or perceived conflicts, such matters will be dealt with through the processes outlined in this policy statement.

No policy or set of guidelines can cover all potential situations. This policy statement is intended to assist the Foundation's Trustees and committee members in broadly understanding their appropriate roles and in identifying, disclosing and managing potential conflicts that may arise from time to time.

III. PERSONS COVERED by this POLICY

This policy statement applies to members of the Foundation's Board of Trustees, officers and non-Trustee members of standing committees that are responsible for developing recommendations related to grants, investments, contracts or other Foundation transactions. [i]

In addition to Foundation Trustees, all non-Trustee committee members, including those whose committees are not covered herein, shall receive a copy of this policy.

Any proposed grant, contract, investment or other transaction involving any known disqualified person (as defined in Appendix C attached), irrespective of whether the disqualified person is a current Trustee, officer or non-Trustee Committee member, will be reviewed and appropriate action taken by the Board of Trustees.

IV. DEFINITIONS

Conflicts of Interest: A potential conflict of interest exists when:

(a) A person covered by this policy (or their family member as defined below) has a financial interest or appears to have a financial interest, in a Foundation decision regarding a grant, contract, investment or other transaction. A financial interest exists when a person covered by this policy (or their family member as defined below) is: (a) currently receiving compensation (or will in the future receive compensation) from an entity that would benefit from a Foundation decision; or (b) is currently (or will be in the future) an investor or owner, in part or in full, in an entity that would benefit from a Foundation decision.

(b) A person covered by this policy (or their family member as defined below) has a significant relationship (as defined below) with any party that stands to benefit from a grant, contract, investment or other transaction

(c) The personal interests (non-financial) of a person covered by this policy (or their family member as defined below) may be perceived as competing with the interests of the Foundation, or such personal interest calls into question the fairness or propriety of the Foundation's decision-making process

Significant Relationships: A person covered by this policy is considered to have a significant relationship with the potential beneficiary of a Foundation grant, investment, contract or other transaction if:

a) the other party is a family member (as defined below) of a person covered by this policy
b) the other party is an entity (either nonprofit or for profit) in which the person (or his/her family member as defined below) is:
    - an officer
    - trustee

- director or
- paid employee/independent contractor;

c) the other party is an entity (either nonprofit or for profit) in which the person (or his/her family member as defined below) has a disclosable financial interest. A disclosable financial interest exists when an individual owns or has a non-publicly traded investment in a fund or an entity in which the Foundation also holds an interest (or has expressed an intent to hold an interest).

d) the other party is a grant applicant that the person has suggested for consideration in conjunction with the Foundation's Community Stewardship program

The above list is not intended to be all inclusive, and the Foundation's Board of Trustees may from time to time determine that other types of relationships are significant.

Family Members: Family members include a person's ancestors; aunts/uncles; spouse/domestic partner; children; grandchildren; great-grandchildren; the spouses/domestic partners of children, grandchildren, great grandchildren; siblings and spouses/domestic partners of siblings; stepchildren and spouses/domestic partners of stepchildren.

V. RULES REGARDING POTENTIAL RECURRING SITUATIONS

Following are rules relevant to some situations that may recur from time to time as a result of the Foundation's ongoing relationships:

Investments Held in Common by Disqualified Persons (as defined in Appendix C attached) and the Stranahan Foundation: From time to time both the Foundation and persons covered by this policy and/or other disqualified persons (as defined in Appendix C attached) may be invested in the same non-publicly traded funds that include corporations or partnerships as underlying investments

So that the Foundation can ensure compliance with the regulatory limitations on its investments, any person covered by this policy who owns (or whose family member, who is also a disqualified person as defined on Appendix C attached, owns) shares in a non-publicly traded fund that is also owned by the Foundation shall disclose such investments annually on the Conflict of Interest and Confidentiality Policy Statement Acknowledgement and Disclosure Form (see Appendix E attached). In addition, when non-publicly traded investments are under consideration by the Foundation Trustees, any person covered by this policy who owns any portion of the investment under consideration (or whose family member who is a disqualified person owns any portion of the investment that is under consideration) is required to follow the disclosure, recusal and other procedures outlined in section VI. below.

Grants to or Transactions with Organizations Where Individuals Covered by this Policy or their Family Members Serve on the Board or Provide Services in Other Voluntary Capacities for Which No Compensation is Received: Individuals covered by this policy or their family members (as defined in section IV. above) may from time to time serve on the board or provide other voluntary (uncompensated) services on behalf of potential grantees, vendors, suppliers, consultants or others who have existing or proposed grants, contracts or other transactions with the Foundation. In general, individuals covered by this policy or their family members (as defined in section IV. above) may serve in such capacities.

Individuals covered by this policy who serve on boards or in other voluntary capacities (or whose family members serve in such capacities) are required to follow the disclosure, recusal and other procedures outlined in section VI. below.

Potential Grantee Organizations Suggested by Individuals Covered by this Policy: Individuals covered by this policy may from time to time participate in the Foundation's Community Stewardship program, and in that capacity may suggest potential grant applicants to the Foundation. When serving as a Community Steward on behalf of a grant applicant, individuals covered by this policy are required to follow the disclosure, recusal and other procedures outlined in section VI. below.

Grants to or Transactions with Organizations Where Individuals Covered by this Policy or their Family Members are Employed (either as an in house employee or as an independent contractor or other service provider) and are Compensated for their Work Individuals covered by this policy or their family members (as defined in section IV. above) may from time to time be employed by (or provide services to) potential grantees, vendors, suppliers, consultants or others who have existing or proposed grants, contracts or other transactions with the Foundation. The Foundation does not encourage consideration of grants or other transactions with organizations where a person covered by this policy or his/her family member is employed (or providing services) for which compensation is received.

Recognizing that extenuating circumstances could exist, when such instances do arise each will be considered by the Board of Trustees on a case by case basis and decisions to approve or deny a grant or other transaction will be made based on the facts of the specific situation, provided however that in no instance shall a grant, contract or any other transaction be undertaken that would violate the IRS self-dealing rules.

Grants to or transactions with an organization where a person covered by this policy (or their family member) is employed are **strictly** prohibited by the Foundation under certain circumstances. That is, the Foundation will **not** approve any grants to or transactions with an organization where a person covered by this policy (or their family member) is employed and:

(a) Any part of the grant or transaction would be used to cover the salary, wages, expense reimbursement or any other expense associated with the person's (or their family member's) employment by the organization
(b) The person covered by this policy (or their family member) is in a position to substantially influence the organization's expenditures (such as Executive Director or Finance Director), or
(c) The grant or other transaction would be undesignated and available to support the general purpose of the organization (as opposed to being designated for a specific program or purpose)

Acceptance of Gifts: A person covered by the policy may not accept anything of greater than nominal value (including gifts, honoraria, loans and entertainment) from recent, current or potential grantees, vendors, suppliers, consultants or others who have existing or proposed grants, contracts or other transactions with the Foundation. While there is no precise definition of what constitutes nominal value, the following example provides some guidance: It would not be appropriate to accept a complimentary ticket to a grantee's $300/plate dinner. By contrast, if a grantee were to supply boxed lunches in conjunction with a meeting, it may be awkward to decline.

VI. PROCEDURES: DISCLOSURE, REFRAIN FROM INFLUENCE, RECUSAL and BOARD ACTION WHEN THERE IS FAILURE TO DISCLOSE

Before a Trustee or committee member begins service with the Foundation and annually thereafter, the individual shall complete and sign a Conflict of Interest Disclosure Form (see Appendix E). A copy of all signed Disclosure Forms shall be kept on file in the Foundation office. All completed disclosure forms shall be reviewed annually by the Foundation's Executive Committee. If the Executive Committee determines that a clear and significant conflict exists that would prohibit a Trustee or non-Trustee Committee member from serving the Foundation objectively and effectively, the full Board will be informed of the situation and determine appropriate action.

Each person covered by this policy is also obligated to verbally disclose any potential conflicts of interest at such time as the affected grant applications, investments, contracts or other transactions are under consideration during a Board or committee meeting. All potential conflicts of interest as defined in section IV. above should be disclosed.
When the Board of Trustees are engaged in deliberations regarding such grants, investments, contracts or other transactions, the individual with the potential conflict shall disclose the material facts as to the potential conflict and may participate in general discussion and answer relevant questions, but shall physically absent him/herself from the deliberations before a vote is taken so that the matter may be further discussed and acted upon in his/her absence. A voting member of the Board of Trustees who has disclosed a conflict and withdrawn from the discussion shall be recorded in the meeting minutes as having abstained from the vote.

When the situation warrants, the Board will discuss (after the disclosing individual has absented himself/herself from the meeting) whether an actual conflict exists that requires that an alternative arrangement (with respect to the grant, investment, contract or other transaction being considered) be explored.

Physical withdrawal from a Board meeting is not necessary with respect to potential conflicts relevant to grant applicants being considered as part of a consent agenda. When a grant applicant is listed on a consent agenda under consideration by the Board, individuals with potential conflicts of interest shall disclose the material facts as to the potential conflict and if he/she is a voting member of the Board of Trustees he/she shall state his/her abstention from the vote relevant only to the specific grant decision affected by the disclosed conflict. After all conflicts have been disclosed and abstentions noted, the Board will then vote on the consent agenda.

If a covered person violates this policy by failing to disclose a conflict or potential conflict of interest, the Board of Trustees shall discuss the facts related to the failure to disclose and, if deemed necessary by the Board, determine appropriate disciplinary or corrective actions.

VII. RECORDS OF PROCEEDINGS

The meetings of the Board of Trustees shall document:

(a) Names of all Trustees and others present during the meeting
(b) The names of the persons disclosing potential conflicts
(c) A brief description of any disclosed conflicts
(d) Whether the disclosing individual(s) withdrew from deliberations prior to the final discussion and vote
(e) Relevant content of the discussion and the result of the final vote

VIII. COMPENSATION

All Foundation Trustees and committee members serve without compensation. Reasonable meeting-related expenses (such as travel when required) are reimbursable in accordance with the Foundation's expense reimbursement guidelines and such reimbursements do not constitute a conflict of interest.

Reasonable compensation and reasonable reimbursement of Foundation-related travel and meeting expenses to a disqualified person covered by this policy (for example, the CEO) are permissible and do not constitute a conflict of interest.

IX. CONFIDENTIALITY

The grantee community, other funders and professionals share considerable information during the course of the Foundation's review of potential and existing grantees. Confidentiality is necessary in order to safeguard the Foundation's trusted position and its capacity to gather the input necessary to make informed funding decisions. Any information collected during the course of reviewing a proposed grant or an existing grant-funded project shall be discussed only in the context of the Foundation's Board or committee meeting, unless such information is clearly public in nature.

X. PERIODIC REVIEWS OF THIS POLICY

Each person covered by this policy shall be required to acknowledge, upon appointment to the Board or a committee and annually thereafter, that he/she has received, read, understands, agrees to and will comply with this policy.

Endnotes:

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[1] Conflict of interest policies specific to Foundation staff are outlined in the Stranahan Foundation Employee Handbook. Conflict of interest policies specific to Community Stewards are outlined in the Stranahan Foundation Community Stewardship Handbook.

The Stranahan Foundation
34-6414375
Year Ended 12/31/2014

Appendix A

CHAPTER 8

The Rules Against Self-Dealing

Throughout the following discussion of self-dealing, the term "family member" is limited to family relatives who are "disqualified persons." It is possible to be a member of a family without being a "disqualified person."

What is self-dealing?

The prohibition against self-dealing[15] contains many potential hazards for family foundations. The rules are far reaching and pervade many elements of a foundation's business. Simply stated, a private foundation is prohibited from entering into *any* financial transaction with certain related parties defined in the law as "disqualified persons." This prohibition applies even if the transaction is fair and reasonable or benefits the private foundation. The list of prohibited transactions between a private foundation and a disqualified person includes the following:

- The sale, exchange, or leasing of property (such as purchasing stationery, supplies, printing, graphic design, or insurance) from a disqualified person
- The lending of money or extension of credit to a disqualified person
- The furnishing of goods, services, or facilities to a disqualified person
- The transfer of private foundation assets or income to a disqualified person
- The use of private foundation assets or income by a disqualified person
- The use of private foundation assets or income for the benefit of a disqualified person
- The payment of money or property to a government official
- Satisfying the enforceable pledge of a disqualified person

Who are disqualified persons?

Disqualified persons[16] include officers, directors, trustees, employees with the authority to act on behalf of the foundation, and substantial contributors[17] to the foundation. A substantial contributor is any person who contributes (or bequeaths) an aggregate amount of more than $5,000 to the private foundation—but only if that amount is more than 2 percent of the total contributions (and bequests) received by the foundation since its inception and before the end of the foundation's taxable year in which the contribution (or bequest) is received.

[15] IRC Section 4941.
[16] IRC Section 4946(a).
[17] IRC Section 507(d)(2).

Example: Mr. X, a friend of the creator of a family foundation, makes a contribution of $10,000 to the foundation during its fifth taxable year. At the end of the fifth taxable year, total contributions to the foundation since its formation are $100,000. The friend and his "family members" become disqualified persons because he is now a substantial contributor: His gift exceeded $5,000 and equaled 10 percent (more than 2 percent) of total contributions by the end of the fifth year ($10,000 divided by $100,000 equals 10 percent).

Note, however, that a substantial contributor to a private foundation may shed the status of disqualified person if (1) he (and all related persons) has made no further contributions to the foundation for 10 years and (2) at all times during the same 10-year period, he (and all related persons) was not a manager of the foundation.[18]

The family members of each person designated above are also disqualified persons. Family members are defined as ancestors, spouses, children, grandchildren, great grandchildren, and the spouses of those individuals.[19] The Treasury Department in 1994 recommended that the definition of family member be expanded to include brothers and sisters. Despite this recommendation, this change in the law has not been enacted.

Certain organizations can also be disqualified persons, such as (1) a corporation in which 35 percent of the total voting power is owned by disqualified persons, (2) a partnership in which 35 percent of the profit interest is owned by disqualified persons, or (3) a trust or estate in which 35 percent of the beneficial interest is owned by disqualified persons. For this reason, family businesses and family offices are often disqualified persons.

What are the penalties for self-dealing?

A penalty tax equal to 10 percent of the amount involved can be levied on each disqualified person who is a party to the act of self-dealing with the foundation. In addition, a similar tax of 5 percent of the amount involved can be imposed on any foundation manager who participated in (for example, approved) the self-dealing transaction.

Example: The executive director of a family foundation signs a loan agreement from the foundation to one of the members of the governing board. The board member is the self-dealer and must repay the loan and can be fined 10 percent of the amount loaned. The executive director can be fined 5 percent.

If the act of self-dealing is not corrected within an appropriate time period, an additional tax of 200 percent of the amount involved can be imposed on the self-dealer, and a tax of 50 percent can be levied on the participating foundation manager.

What if the person does not know that a particular act constitutes self-dealing?

The tax may be imposed on the disqualified person entering into the prohibited transaction with the foundation even if the person (the self-dealer) had no knowledge at the time that the act constituted self-dealing. However, the tax will not apply to the foundation manager (director or trustee) approving—or participating in—the act unless the manager knows that the act is self-dealing and his participation is willful and not due to reasonable cause. A foundation manager can avoid penalty if there is sufficient reasonable cause for approving a transaction such as relying on the reasoned written legal opinion of counsel.

[18] IRC Section 507(d)(2)(C).
[19] IRC Section 4946(d).

Can a foundation pay salary or fees to a family member?

Yes, as long as the total compensation is for "personal" services and the amount is reasonable.[20] Reasonable compensation for personal services is the biggest exception to the rule against self-dealing. Thus, it is legal for the creators of a family foundation to hire their child or another family member to staff the foundation. Similarly, the foundation may pay trustee or director fees to family members who serve on the governing board. In all such cases, the payments are legal as long as the work to be performed is necessary for the operation of the foundation and the amount of compensation is reasonable.

Can a family member be paid for the foundation's legal fees or accounting fees?

Generally, yes. Again, the fees must be reasonable and for necessary services. This exception is limited to "personal" services such as those of a lawyer, accountant, or stock broker. Hiring a family member's construction firm would not be considered personal services, nor would purchasing insurance from a family member's insurance company. The IRS generally interprets the definition of personal services narrowly.

What is reasonable compensation?

No precise salary amount or trustee fee defines the limit of reasonable compensation. "Reasonable" is defined as what similar persons are paid for similar work at similar organizations. Thus, to ensure that a total compensation package is reasonable, it is wise to obtain factual information about the level of compensation at similar foundations. For example, according to Council survey data, the mean base salary in 2011 for a full-time chief executive officer of a family foundation with $10 million to $24.9 million in assets was $104,489.[21] Note that high or low outlying figures, as with all statistics, can affect the mean.

Can out-of-pocket expenses of family members be reimbursed?

Generally, the answer is yes. Technically, this question does not involve self-dealing because the issue is reimbursement for legitimate expenses of the foundation and not a financial transaction between the foundation and a disqualified person. Again, the following questions must be satisfied: (1) Was the expense necessary for the operation of the foundation? and (2) Was the amount paid reasonable?

Although having a reasonable, written travel policy is not required, such a policy can guide the foundation's compliance with rules concerning travel reimbursement. For example, does the foundation have a maximum approved hotel room rate, guidelines for meal prices, or rules regarding seating levels for air travel? Establishing a reasonable policy and following that policy will also be helpful if government officials or the media question travel expenses.

[20] Checking for the rules under state law is also important. For example, under California Nonprofit Corporation Law (Section 5227), compensation to a family member is prohibited unless a majority of the governing board is made up of nonfamily members.

[21] Council on Foundations. *2011 Grantmakers Salary and Benefit Report: Salary Tables.*

Are there special rules governing compensation to or travel expenses paid for "government officials"?

Yes. Any agreement to make any payment to a government official is an act of self-dealing unless it is an offer of employment that begins after the official ends government service and the agreement is made 90 days or fewer before the date of termination. Reimbursement for travel expenses is also tricky—for example, when a government official is speaking at a conference or meeting. Travel reimbursement can only be for travel within the United States and is subject to technical limitations related to government reimbursement schedules. Any foundation contemplating payment to a government official (or reimbursement for expenses) should contact legal counsel to make certain the technical rules are followed.

At the national level, the definition of "government official"[22] includes (1) all elected executive or legislative officials; (2) all executive or judicial officials appointed by the president; (3) any person in the executive, legislative, or judicial branch above a certain grade level (listed on schedule C of rule VI of the Civil Service Rules or at the GS-16 level or higher); and (4) any person employed in the House or Senate with an annual rate of $15,000 or more.

At the state and local levels, the definition includes any elected or appointed public official in the legislative, executive, or judicial branch whose gross compensation is at a rate of $20,000 or more.

In short, any time a foundation is considering compensating or reimbursing virtually any government official, prior legal guidance is strongly recommended.

Can the foundation pay for spousal travel or for the travel of other family members?

Generally, no. The assets of the foundation cannot be used to finance family reunions. Spouses and children of board members are disqualified persons. If foundation assets are paid to them for travel or related expenses, such payment is an act of self-dealing. Obviously, if the spouse or child is also a board member (or staff), the reimbursement of reasonable expenses for necessary foundation activities is not a violation. But assuming the spouse or child has no official duties, such reimbursement constitutes self-dealing.

There are two methods for making such reimbursement payments that satisfy the legal concerns. First, treat the reimbursement as part of the reasonable compensation paid to the board member or staff member whose spouse or child is being reimbursed. The amount of reimbursement must show up as reportable income to the board or staff member on a Form 1099 or W-2.

> *Example:* A board member takes his spouse to a Council on Foundations conference for family foundations. If the expenses paid by the foundation for the spouse are counted as compensation to the board member—and the board member's total compensation is reasonable—there is no self-dealing. Why? Reasonable compensation for personal services is the main exception to the self-dealing rules.

Second, develop legitimate and meaningful duties for the spouse and/or children that further the charitable purposes of the foundation. Providing companionship and attending social receptions with the board member would not be considered meaningful foundation duties.

> *Example:* To train the next family generation in the traditions and operations of the foundation, the foundation approves an advisory committee composed of children of the donor. This committee will review all applications for grants in a particular subject area and make final recommendations to the governing board. Reimbursing these children for reasonable expenses of attending an appropriate board meeting or a training conference would be legitimate foundation expenses.

22 IRC Section 4946(c). Note that the salary figures are not adjusted for inflation.

Can the foundation pay rent for space owned by a family member?

Generally, no. The payment of rent to any disqualified person by the foundation is self-dealing even if the rent charged is significantly below market rate and thus beneficial to the foundation. Note that this rule applies equally to space owned by any family member, family business, or family office that meets the definition of a disqualified person.

However, if the foundation leases space from a disqualified person and the rent is zero, there is no self-dealing. In this circumstance, it is also permissible for the foundation to pay its fair share of utilities, janitorial services, insurance, or maintenance as long as the payment is not made directly or indirectly to a disqualified person. Thus, for example, the foundation should pay for its share of the janitorial services by directly paying the firm providing the service.

Can a family foundation and a family member share office space and related expenses?

Legally, such sharing is possible, but the necessary record keeping discourages most families from trying. In most cases, the complications and potential pitfalls are not worth the effort. Assuming the office space is owned by an unrelated party, both the foundation and the family member should pay rent directly to the landlord. This arrangement suggests that separate leases will be necessary. Payments for other expenses such as copying and telephone should be paid directly by the two parties. If the foundation were to pay the bill and seek reimbursement from the family member for his share, such a transaction could be viewed as an extension of credit, which is clearly self-dealing.

Often the simplest approach to sharing office space is to have the family member pay the full cost of the rental space and allow the foundation to occupy some of the space without charge.

Can a foundation satisfy the personal charitable pledge of a family member?

No. Once any disqualified person makes a legally binding personal pledge, it becomes a personal debt or liability. For a private foundation to use foundation assets to satisfy the personal obligation of a disqualified person is an act of self-dealing. Whether a pledge is legally binding will depend on state law, so consultation with local legal counsel will be necessary if such a question arises.

Can the foundation purchase directors and officers liability insurance without self-dealing?

Yes.[23] For the purposes of the self-dealing rules, the regulations divide indemnification of directors and officers into two categories: compensatory and non-compensatory. Premiums paid for compensatory indemnification would be considered compensation for the purposes of determining whether an individual's compensation package is reasonable. Practically, it is unlikely that the value of such indemnification would be the factor that pushes compensation over the line of reasonableness. Premiums for non-compensatory indemnification need not be considered in determining the reasonableness of a disqualified person's compensation.

[23] Treas. Reg. Section 53.4941(d)-2(f)(3)-(6).

The regulations treat the following as compensatory: coverages (or indemnification payments), payments for taxes (including foundation penalty taxes), penalties, expenses of correction, any expenses not reasonably incurred by the foundation manager in connection with a civil judicial or civil administrative proceeding arising out of the manager's performance of services on behalf of the foundation, and any expenses resulting from an act or failure to act with respect to which the manager has acted willfully and without reasonable cause.

Treasury staff has suggested that the compensatory portion of an allocated premium payment might be considered *de minimis*—so small as to make accounting for it unreasonable or administratively impractical. This would depend on the amount involved. For this reason, it may be helpful to secure a letter from the insurance provider confirming that the total value of the "compensatory" coverage is indeed *de minimis*.

Note that regardless of whether the premiums are considered compensatory for the purpose of the self-dealing rules, the cost of these premiums need not be treated as part of gross income to the foundation managers who benefit. In fact, such premium costs are considered "working condition fringe benefits."[24] Their value does not need to be reflected on a Form W-2 or Form 1099.

Can a family or board member receive any personal benefit from foundation grants?

Yes, as long as the benefit is "incidental," "tenuous," or "mere recognition." In other words, the benefit bestowed on the board member must not provide goods or services that have a tangible economic value. Public recognition of the major donor to a family foundation generally is incidental (or intangible). Examples include recognizing the donor in the program of a special fundraising event as a contributor or naming a building after the donor.

Is it self-dealing to make a grant to a charity for which a family member is on the board of the grantee?

The regulations are very clear on this point. It is not self-dealing when a foundation makes a grant to a public charity where a disqualified person (or his or her spouse) is on the board or staff of the grantee. However, if such a grant were earmarked to pay the salary of a disqualified person, self-dealing is probable.

Even when permissible, a foundation should be cautious about the appearances such grants may create. In addition, the foundation should follow its conflict-of-interest policy. (See the discussion of conflict of interest in Chapter 17.)

What about tickets to fundraisers or performances?

Tickets to fundraisers (such as a symphony ball) or to cultural events (opera or theater tickets) can and do cause considerable confusion and misunderstanding. There is little in the way of guidance here from the IRS. Technically, if a foundation purchases a ticket to a fundraising event—or receives tickets from a grantee to fundraising events or performances in response to a grant—self-dealing can occur if those tickets are made available to disqualified persons. In these cases, goods or services of tangible economic value (dinner, entertainment, theater tickets) have been provided to a disqualified person as the result of foundation expenditures.

24 Treas. Reg. Section 1.132-5(r).

At least one ruling[25] indicates that no self-dealing for use of these tickets occurs where the disqualified person attending the event is a foundation manager with responsibility for evaluating and reviewing the activities of the grantee. Therefore, the value of the ticket is viewed as a necessary and reasonable administrative expense. However, if the manager took his or her spouse who did not have such responsibilities, the use of the ticket by the spouse would be self-dealing.

What about "quid pro quo" and the $75 rule?

Every charitable organization, when it receives a contribution valued at $75 or more, must provide a written statement to the donor if any good or service of economic value is provided to the donor as a result of the contribution. A donor may claim charitable deductions only for the amount of any gift that exceeds the value the donor receives in return. The written statement must note that the contribution is not fully deductible and that only the part of the contribution that exceeds the value of the goods and services provided in return may be deducted. The statement must provide a reasonable estimate by the charity of the value of the goods or services provided to the donor. This requirement is known as the "quid pro quo rule."

A family foundation is not concerned about how much of a foundation grant to a charity is deductible from income tax. Private foundations do not pay income tax and thus cannot use charitable deductions in any case. What is useful to the family foundation regarding such $75 quid pro quo written statements is that they indicate that self-dealing may occur depending on which person received (or used) the goods or services.

When purchasing tickets, can the disqualified person pay the value of the goods or services and the foundation pay the charitable contribution part?

No. The IRS has ruled that you cannot "bifurcate" the price of a ticket.[26] The IRS reasoned that without the payment of the charitable part by the foundation, the ticket could not have been purchased. Thus, payment by the foundation was providing a tangible economic benefit to the disqualified person.

Resources

Compensation

- Council on Foundations, "Foundation Management Series: 2010 Edition: Board Composition and Compensation Report," *www.cof.org.*
- Council on Foundations, *2011 Grantmakers Salary and Benefits Report, www.cof.org.*
- Council on Foundations (2002), "Recommended Best Practices for Determining Reasonable Compensation for Directors and Trustees," *www.cof.org.*
- Council on Foundations (2002), "Recommended Best Practices for Determining Reasonable Compensation for Foundation Executives," *www.cof.org.*

D&O Insurance

- John A. Edie and Jane C. Nober, "Directors and Officers Liability Insurance and Indemnification" (second edition, Council on Foundations, 2007), *www.cof.org.*

Grantmaking and Self-Dealing

- Jane C. Nober, "That's the Ticket," (rev. 2010), *www.cof.org.*
- Jane C. Nober, "That's Still the Ticket," (rev. 2010), *www.cof.org.*
- Jane C. Nober, "Tread Carefully When Sharing Board Members With Grantees," Council on Foundations (rev. 2010), *www.cof.org.*

[25] Technical Advice Memorandum 8449008 (undated).
[26] IRS Priv. Ltr. Rul. 9021066 (March 1, 1990).

Appendix B

CHAPTER 10

The Rules Against Excess Business Holdings

Why is there a rule against excess business holdings?

Former Sen. Russell Long (D-La.) was fond of saying, "The business of charity is charity, not business." The 1969 Tax Reform Act strictly limited the percentage of any business enterprise that could be owned by a private foundation.[31] The act was intended to prevent a foundation from holding a controlling interest in a business. The rules for excess business holdings are complex, and any foundation that faces a possible violation should seek legal advice. For foundations that had excess holdings in 1969, a special set of "grandfathering" rules gave them time to divest ownership down to acceptable limits. The divesting period for grandfathered private foundations has ended, and those rules are thus irrelevant for private foundations today.

What constitutes excess holdings?

Generally, the limit is 20 percent of shares outstanding. This includes voting stock of an incorporated business, profit interest of a partnership or joint venture, or beneficial interest of a trust or similar entity. However, determining whether the foundation exceeds the 20 percent limit must take into account the shares owned by all disqualified persons. In other words, the foundation, combined with all its disqualified persons, may not hold more than 20 percent of a business enterprise. However, the limit increases to 35 percent if it can be shown that a third person or persons who are not disqualified persons with regard to the foundation have "effective control" of the business.

Note that ownership of sole proprietorships that are not substantially related to the private foundation's purposes is also considered an excess holding.

What business holdings are affected?

Interests in a "business enterprise" are regulated under this rule. A business enterprise is the active conduct of trade or business, including any activity that is regularly carried out for the production of income from the sale of goods or the performance of services. Specifically *excluded* from the definition are the following:

- Holdings that take the form of bonds or other debt instruments, unless they are a disguised form of equity
- Income from dividends, interest, royalties, and the sale of capital assets
- Income from leases, unless the income would be taxed as unrelated business income
- "Functionally related" businesses and program-related investments

[31] IRC Section 4943

: Businesses that derive at least 95 percent of their income from passive sources (dividends, interest, rent, royalties, capital gains). This will have the effect of excluding gifts of interests in most family limited partnerships and other types of holding-company arrangements.

How long does a foundation have to sell off the excess holdings?

Foundations with excess holdings have five years to divest (or sell off) those assets until the holdings recede to an acceptable level. The law permits the Treasury secretary to grant an additional five years if the foundation submits a plan showing how it plans to complete the process, that the foundation has been diligent in its efforts to divest, and that divestiture has been impossible because of the size or complexity of the holding.

A foundation must immediately dispose of excess business holdings acquired by purchase. If purchases by disqualified persons cause the private foundation to have excess holdings, the private foundation will have 90 days to dispose of the excess holdings.

What is the penalty for excess holdings?

If, after the five-year divestment period, the foundation has not complied with the rule, the foundation is subject to a penalty of 10 percent of the excess holdings. If the foundation fails to correct this problem (by selling or divesting enough shares) during the applicable time period after the five-year period is complete, an additional tax of 200 percent may be imposed.

Is there a minimum holding that is safe for a foundation?

Yes. Sometimes referred to as the "safe harbor" or *de minimis* rule, the safe limit is 2 percent. Even if disqualified persons own the rest of the stock in a business enterprise, the foundation will not violate excess business holdings rules if the foundation itself owns no more than 2 percent of the business.

Appendix C

WHO ARE DISQUALIFIED PERSONS?

Disqualified persons[19] include officers, directors, trustees, employees with authority to act on behalf of the foundation and substantial contributors[20] to the foundation. A substantial contributor is any person who contributes (or bequeaths) an aggregate amount of more than $5,000 to the private foundation, *but only* if such amount is more than 2 percent of the total contributions (and bequests) received by the foundation since its inception and before the end of the foundation's taxable year in which the contribution (or bequest) is received.

> *Example:* Mr. X, a friend of the creator of a family foundation, makes a contribution of $10,000 to the foundation during its fifth taxable year. At the end of the fifth taxable year, total contributions to the foundation since its formation are $100,000. The friend and his "family members" become disqualified persons because he is now a substantial contributor: His gift exceeded $5,000 and equaled 10 percent (more than 2 percent) of total contributions by the end of the fifth year ($10,000 divided by $100,000 = 10 percent). Note, however, that a substantial contributor to a private foundation may shed the status of disqualified person if (1) he or she (and all related persons) have made no further contributions to the foundation for 10 years and (2) at all times during the same 10-year period, he or she (and all related persons) was not a manager of the foundation.[21]

The family members of each person designated above are also disqualified persons. Family members are defined as ancestors, spouse, children, grandchildren, great grandchildren and the spouses of children, grandchildren and great grandchildren.[22] Brothers and sisters are not disqualified persons. The Treasury Department in 1994 recommended that the definition of family member be expanded to include brothers and sisters, but this change in the law has not been enacted.

Certain organizations can also be disqualified persons, such as (1) a corporation in which 35 percent of the total voting power is owned by disqualified persons; (2) a partnership in which 35 percent of the profits interest is owned by disqualified persons; or (3) a trust or estate in which 35 percent of the beneficial interest is owned by disqualified persons.

Appendix D

Note to Stranahan Foundation Trustees: *You will notice that some sections of this Code are blank. This is due to the fact that our attorney removed those sections that do not apply to a nonprofit organization that is in trust form (such as the Stranahan Foundation).*

<u>Ohio Revised Code Section 5808.02:</u> Duty of loyalty to beneficiaries - voidable transactions - conflicts of interest.

(A) A trustee shall administer the trust solely in the interests of the beneficiaries.

(B) Subject to the rights of persons dealing with or assisting the trustee as provided in section 5810.12 of the Revised Code, a sale, encumbrance, or other transaction involving the investment or management of trust property entered into by the trustee for the trustee's own personal account or that is otherwise affected by a conflict between the trustee's fiduciary and personal interests is voidable by a beneficiary affected by the transaction unless one of the following applies:

(1) The transaction was authorized by the terms of the trust or by other provisions of the Revised Code.

(2) The transaction was approved by the court.

(3) ...

(4) ...

(5) The transaction involves a contract entered into or claim acquired by the trustee before the person became or contemplated becoming trustee.

(C) A sale, encumbrance, or other transaction involving the investment or management of trust property is presumed to be affected by a conflict between personal and fiduciary interests if it is entered into by the trustee with one of the following:

(1) The trustee's spouse;

(2) The trustee's descendant, sibling, or parent or the spouse of a trustee's descendant, sibling, or parent;

(3) An agent or attorney of the trustee;

(4) A corporation or other person or enterprise in which the trustee, or a person that owns a significant interest in the trustee, has an interest that might affect the trustee's best judgment.

(D) A transaction not concerning trust property in which the trustee engages in the trustee's individual capacity involves a conflict between personal and fiduciary interests if the transaction concerns an opportunity properly belonging to the trust.

(E) An investment by a trustee that is permitted by other provisions of the Revised Code is not presumed to be affected by a conflict between personal and fiduciary interests if the investment otherwise complies with the prudent investor rule of Chapter 5809. of the Revised Code.

(F) ...

(G) This section does not preclude either of the following:

(1) Any transaction authorized by another section of the Revised Code;

(2) Unless the beneficiaries establish that it is unfair, any of the following transactions:

(a) ...

(b) Payment of reasonable compensation to the trustee;

(c) A transaction between a trust and another trust, decedent's estate, or guardianship of which the trustee is a fiduciary or in which a beneficiary has an interest;

(d) A deposit of trust money in a regulated financial-services institution that is an affiliate of the trustee;

(e) ...

(H) ...

Amended by 129th General Assembly File No. 65, SB 117, § 1, eff. 3/22/2012.

Effective Date: 01-01-2007

Appendix E

Stranahan Foundation
Conflict of Interest and Confidentiality Policy Statement
Annual Acknowledgement and Disclosure Form

I hereby acknowledge that I have received, read, understand and agree to comply with the Stranahan Foundation "Conflict of Interest and Confidentiality Policy Statement" (hereinafter referred to as the Policy).

Name of Person Completing this Form: ______________________________

Spouse or Domestic Partner's Name: ______________________________

<u>**List of Potential Conflicts**</u>
Following is a list of:

(a) nonprofit organizations or businesses/corporations in which I or a family member living in my household are currently involved (please indicate type of involvement, such as volunteer; Board member; employee, etc.) **and/or** in which I or a family member living in my household currently have a disclosable financial interest (as defined in section IV. of the Policy)
(b) non-publicly traded investments in which I or a family member living in my household are currently invested and in which the Foundation is also invested (see attached list of Stranahan Foundation Non-Publicly Traded Investments)

____

Signature Date

Stranahan Foundation - Rules of Procedure as Amended November 23, 2014

The undersigned officers of the Stranahan Foundation certify that this document is an accurate and complete representation of the Rules of Procedure as amended and adopted by unanimous vote of the Stranahan Foundation Board of Trustees on November 23, 2014:

Patrick J. Stranahan, President

Mark E. Stranahan, Secretary

William Foster, Treasurer

Page Armstrong, Vice President

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