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Form

990-PF

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

OMB No 1545-0052

2014

Open to Public Inspection

For calendar year 2014, or tax year beginning 01-01-2014, and ending 12-31-2014

Name of foundation HERBST FAMILY FOUNDATION		A Employer identification number 36-4333045	
Number and street (or P O box number if mail is not delivered to street address) 1040 N LAKE SHORE DRIVE NO 5C		B Telephone number (see instructions) (312) 316-5085	
City or town, state or province, country, and ZIP or foreign postal code CHICAGO, IL 60611		C If exemption application is pending, check here ☐	
G Check all that apply ☐ Initial return ☐ Final return ☐ Address change ☐ Initial return of a former public charity ☐ Amended return ☐ 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 ☒ 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) \$ 1,265,344		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐	
J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify) _____ (Part I, column (d) must be on cash basis.)			

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) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)				
	2 Check ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities.	17,875	17,875		
	5a Gross rents				
	b Net rental income or (loss) _____				
	6a Net gain or (loss) from sale of assets not on line 10	-18,126			
	b Gross sales price for all assets on line 6a 457,737				
	7 Capital gain net income (from Part IV, line 2) . . .		0		
	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) (attach schedule)				
	11 Other income (attach schedule)	15,433	8,427		
	12 Total. Add lines 1 through 11	15,182	26,302		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0	0		0
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	1,800	900		900
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions) . . .	11	11		0
	19 Depreciation (attach schedule) and depletion . . .				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	3,110	2,894		216
	24 Total operating and administrative expenses. Add lines 13 through 23	4,921	3,805		1,116
	25 Contributions, gifts, grants paid	48,625			48,625
	26 Total expenses and disbursements. Add lines 24 and 25	53,546	3,805		49,741
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	-38,364			
	b Net investment income (if negative, enter -0-)		22,497		
	c Adjusted net income (if negative, enter -0-)				

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing	225,980	312,430	312,430
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	4	Pledges receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ _____ Less allowance for doubtful accounts ▶ _____			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	664,133	429,198	782,399
	c	Investments—corporate bonds (attach schedule).			
	11	Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	62,648	172,874	170,515
	14	Land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
Liabilities	15	Other assets (describe ▶ _____)			
	16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	952,761	914,502	1,265,344
	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶ _____)	0	1,222	
	23	Total liabilities (add lines 17 through 22)	0	1,222	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted			
	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	0	0	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund	0	0	
	29	Retained earnings, accumulated income, endowment, or other funds	952,761	913,280	
	30	Total net assets or fund balances (see instructions)	952,761	913,280	
	31	Total liabilities and net assets/fund balances (see instructions)	952,761	914,502	

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)	1 952,761
2	Enter amount from Part I, line 27a	2 -38,364
3	Other increases not included in line 2 (itemize) ▶ _____	3 2,697
4	Add lines 1, 2, and 3	4 917,094
5	Decreases not included in line 2 (itemize) ▶ _____	5 3,814
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6 913,280

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	See Additional Data Table			
b				
c				
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 See Additional Data Table			
b			
c			
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 See Additional Data Table			
b			
c			
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	-18,126
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	}	3	

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 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	63,546	1,186,464	0 053559
2012	63,012	1,098,856	0 057343
2011	60,853	1,214,399	0 050110
2010	61,365	1,185,619	0 051758
2009	43,240	926,951	0 046648

2	Total of line 1, column (d).	2	0 259418
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	0 051884
4	Enter the net value of noncharitable-use assets for 2014 from Part X, line 5.	4	1,287,191
5	Multiply line 4 by line 3.	5	66,785
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	225
7	Add lines 5 and 6.	7	67,010
8	Enter qualifying distributions from Part XII, line 4.	8	49,741

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

Part VI

Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ☐ 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 ☐ and enter 1% of Part I, line 27b	1	450
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	450
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	450
6	Credits/Payments		
a	2014 estimated tax payments and 2013 overpayment credited to 2014	6a	926
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d.	7	926
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	476
11	Enter the amount of line 10 to be Credited to 2015 estimated tax ☐ 476 Refunded ☐	11	0

Part VII-A

Statements Regarding Activities

1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a	Yes	No
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)?	1b		No
	<i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>			
c	Did the foundation file Form 1120-POL for this year?	1c		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation ☐ \$ <u>0</u> (2) On foundation managers ☐ \$ <u>0</u>			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ☐ \$ <u>0</u>			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS?	2		No
	<i>If "Yes," attach a detailed description of the activities.</i>			
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>	3		No
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	Yes	
b	If "Yes," has it filed a tax return on Form 990-T for this year?	4b	Yes	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year?	5		No
	<i>If "Yes," attach the statement required by General Instruction T.</i>			
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes	
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV.</i>	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ IL _____			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation.</i>	8b	Yes	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2014 or the taxable year beginning in 2014 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>	9		No
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses.</i>	10		No

Part VII-A

Statements Regarding Activities *(continued)*

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions).	11		No
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	
Website address N/A				
14	The books are in care of DR ARTHUR L HERBST Telephone no (312) 316-5085 Located at 1040 N LAKE SHORE DRIVE NO 5C CHICAGO IL ZIP+4 60611			
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		
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? See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) If "Yes", enter the name of the foreign country	16	Yes	No

Part VII-B

Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			Yes	No
1a	During the year did the foundation (either directly or indirectly) (1) Engage in the sale or exchange, or leasing of property with a disqualified person? 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)? Organizations relying on a current notice regarding disaster assistance check here.	1b		
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		No
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? If "Yes," list the years 20 , 20 , 20 , 20 Yes No			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions).	2b		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here 20 , 20 , 20 , 20			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? 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.).	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2014?	4b		No

Part VII-B

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

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	☐ Yes ☒ No		
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	☐ Yes ☒ No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	☐ Yes ☒ No		
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 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)?		5b	
	Organizations relying on a current notice regarding disaster assistance check here.	☒		
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?	☐ Yes ☐ No		
	If "Yes," attach the statement required by Regulations section 53.4945–5(d).			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes ☒ No		
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		6b	No
	If "Yes" to 6b, file Form 8870.			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes ☒ No		
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?		7b	

Part VIII

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).				
(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
DR ARTHUR L HERBST	PRESIDENT	0	0	0
4451 N CAMINO SUMO TUCSON,AZ 85718	1 00			
LEE G HERBST	VICE PRESIDENT	0	0	0
4451 N CAMINO SUMO TUCSON,AZ 85718	1 00			
ARTHUR L HERBST JR	DIRECTOR	0	0	0
1816 N LINCOLN PARK W CHICAGO,IL 60614	1 00			
2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."				
(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				
Total number of other employees paid over \$50,000.				0

Part VIII

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

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE".		
(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
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	
2	
3	
4	

Part IX-B

Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3.	0

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	1,092,464
b	Average of monthly cash balances.	1b	158,238
c	Fair market value of all other assets (see instructions).	1c	56,091
d	Total (add lines 1a, b, and c).	1d	1,306,793
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	1,306,793
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	19,602
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	1,287,191
6	Minimum investment return. Enter 5% of line 5.	6	64,360

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	64,360
2a	Tax on investment income for 2014 from Part VI, line 5.	2a	450
b	Income tax for 2014 (This does not include the tax from Part VI).	2b	901
c	Add lines 2a and 2b.	2c	1,351
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	63,009
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	63,009
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	63,009

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	49,741
b	Program-related investments—total from Part IX-B.	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes.	2	
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	49,741
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions).	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	49,741

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				63,009
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only.			0	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2014				
a From 2009.				
b From 2010.				3,336
c From 2011.				587
d From 2012.				10,541
e From 2013.				4,993
f Total of lines 3a through e.	19,457			
4 Qualifying distributions for 2014 from Part XII, line 4 ▶ \$ 49,741				
a Applied to 2013, but not more than line 2a			0	
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.				49,741
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).)	13,268			13,268
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	6,189			
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 instructions			0	
f Undistributed income for 2014 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2015				0
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 (see instructions). . . .	0			
9 Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a	6,189			
10 Analysis of line 9				
a Excess from 2010.				
b Excess from 2011.				
c Excess from 2012.				1,196
d Excess from 2013.				4,993
e Excess from 2014.				

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

1a

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

b

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

2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	Tax year	Prior 3 years			(e) Total
		(a) 2014	(b) 2013	(c) 2012	(d) 2011	
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 XVSupplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year—see instructions.)

1

Information Regarding Foundation Managers:

a

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

DR ARTHUR L HERBST

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

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 email address of the person to whom applications should be addressed

b

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

c

Any submission deadlines

d

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

Part XV

Supplementary Information (continued)

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

Recipient	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
Name and address (home or business)				
a Paid during the year See Additional Data Table				
Total			3a	48,625
b Approved for future payment				
Total			3b	0

Enter gross amounts unless otherwise indicated

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

Form **990-PF** (2014)

Part XVII

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

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?

Yes

No

a

Transfers from the reporting foundation to a noncharitable exempt organization of

(1)

Cash.

1a(1)

No

(2)

Other assets.

1a(2)

No

b

Other transactions

(1)

Sales of assets to a noncharitable exempt organization.

1b(1)

No

(2)

Purchases of assets from a noncharitable exempt organization.

1b(2)

No

(3)

Rental of facilities, equipment, or other assets.

1b(3)

No

(4)

Reimbursement arrangements.

1b(4)

No

(5)

Loans or loan guarantees.

1b(5)

No

(6)

Performance of services or membership or fundraising solicitations.

1b(6)

No

c

Sharing of facilities, equipment, mailing lists, other assets, or paid employees.

1c

No

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

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

checked

No

b

If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship

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.

Signature of officer or trustee

2015-06-09

Date

Title

May the IRS discuss this return with the preparer shown below (see instr.)?

checked

Yes

No

Paid Preparer Use Only

Print/Type preparer's name

DAVID J COHEN CPA

Preparer's Signature

Date

Check if self-employed

checked

PTIN

P00137897

Firm's name

BEACHFLEISCHMAN PC

Firm's address

PO BOX 64130 TUCSON, AZ 857284130

Firm's EIN

86-0683059

Phone no

(520) 321-4600

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1,800 SHS ALLIANCEBERNSTEIN HOLDING LP	P		
1,000 SHS ELLINGTON FINANCIAL LLC	P		
1,000 SHS ELLINGTON FINANCIAL LLC	P		
750 SHS KINDER MORGAN ENERGY PARTNERS	P		
925 SHS TERRA NITROGEN CO LTD	P		
PUBLICLY TRADED SECURITIES			
CAPITAL GAINS DIVIDENDS	P		

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
43,649		34,972	8,677
20,749		22,694	-1,945
20,750		23,450	-2,700
55,896		55,411	485
121,338		142,116	-20,778
195,284		197,220	-1,936
71			71

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			8,677
			-1,945
			-2,700
			485
			-20,778
			-1,936
			71

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	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
Name and address (home or business)				
a Paid during the year				
AMERICAN HUMANIST ASSOCIATION 1777 T STREET NW WASHINGTON,DC 20009	UNRELATED	PUBLIC	PROGRAM SUPPORT	300
AMNESTY INTERNATIONAL 5 PENN PLAZA NEWYORK,NY 10001	UNRELATED	PUBLIC	PROGRAM SUPPORT	200
ARIZONA PUBLIC MEDIA PO BOX 210067 TUCSON,AZ 85721	UNRELATED	PUBLIC	PROGRAM SUPPORT	400
ARIZONA STATE MUSEUM PO BOX 210026 TUCSON,AZ 85721	UNRELATED	PUBLIC	PROGRAM SUPPORT	150
ARIZONA THEATRE COMPANY 343 S SCOTT AVENUE TUCSON,AZ 85701	UNRELATED	PUBLIC	PROGRAM SUPPORT	500
ART INSTITUTE OF CHICAGO 111 S MICHIGAN AVENUE CHICAGO,IL 60603	UNRELATED	PUBLIC	PROGRAM SUPPORT	185
CHAPIN SCHOOL 100 E END AVENUE NEWYORK,NY 10028	UNRELATED	PUBLIC	PROGRAM SUPPORT	1,500
CHICAGO FOUNDATION FOR EDUCATION 1 N LASALLE STREET 1675 CHICAGO,IL 60602	UNRELATED	PUBLIC	PROGRAM SUPPORT	200
CHICAGO HUMANITIES FESTIVAL 500 N DEARBORN CHICAGO,IL 60654	UNRELATED	PUBLIC	PROGRAM SUPPORT	250
CHICAGO SYMPHONY ORCHESTRA 220 S MICHIGAN AVENUE CHICAGO,IL 60604	UNRELATED	PUBLIC	PROGRAM SUPPORT	3,500
COLLEGIATE SCHOOL 260 W 78TH STREET NEWYORK,NY 10024	UNRELATED	PUBLIC	PROGRAM SUPPORT	1,500
COMPASSION AND CHOICES 4155 E JEWELL AVENUE STE 200 DENVER,CO 80222	UNRELATED	PUBLIC	PROGRAM SUPPORT	300
CONSUMER REPORT FOUNDATION 101 TRUMAN AVENUE YONKERS,NY 10703	UNRELATED	PUBLIC	PROGRAM SUPPORT	100
EXPERIMENT IN INTERNATIONAL LIVING 1 KIPLING ROAD BRATTLEBORO,VT 05302	UNRELATED	PUBLIC	PROGRAM SUPPORT	250
FREEDOM FROM RELIGION FOUNDATION PO BOX 750 MADISON,WI 53701	UNRELATED	PUBLIC	PROGRAM SUPPORT	1,000
Total  3a				48,625

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	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
Name and address (home or business)				
a <i>Paid during the year</i>				
HARVARD MEDICAL SCHOOL 124 MOUNT AUBURN STREET CAMBRIDGE,MA 02138	UNRELATED	PUBLIC	PROGRAM SUPPORT	15,200
HIGH JUMP 59 W NORTH BOULEVARD CHICAGO,IL 60610	UNRELATED	PUBLIC	PROGRAM SUPPORT	1,500
INSTITUTE OF MEDICINE 500 FIFTH STREET NW NAS-038 WASHINGTON,DC 20001	UNRELATED	PUBLIC	PROGRAM SUPPORT	250
INTERFAITH ALLIANCE 1250 24TH STREET NW STE 300 WASHINGTON,DC 20039	UNRELATED	PUBLIC	PROGRAM SUPPORT	200
LYRIC OPERA OF CHICAGO 20 N WACKER DRIVE CHICAGO,IL 60606	UNRELATED	PUBLIC	PROGRAM SUPPORT	3,500
MAINE MARITIME MUSEUM 243 WASHINGTON STREET BATH,ME 04530	UNRELATED	PUBLIC	PROGRAM SUPPORT	250
MUSEUM OF MODERN ART 11 W 53RD STREET NEWYORK,NY 10019	UNRELATED	PUBLIC	PROGRAM SUPPORT	140
NATIONAL WILDLIFE FOUNDATION PO BOX 1583 MERRIFIELD,VA 23118	UNRELATED	PUBLIC	PROGRAM SUPPORT	250
PLANNED PARENTHOOD 434 W 33RD STREET NEWYORK,NY 10001	UNRELATED	PUBLIC	PROGRAM SUPPORT	250
SHADY HILL SCHOOL 178 COOLIDGE HILL CAMBRIDGE,MA 02138	UNRELATED	PUBLIC	PROGRAM SUPPORT	200
SOUTHERN POVERTY LAW CENTER 400 WASHINGTON AVE MONTGOMERY,AL 36104	UNRELATED	PUBLIC	PROGRAM SUPPORT	300
TEN CHIMNEYS FOUNDATION PO BOX 225 GENESEE DEPOT,WI 53127	UNRELATED	PUBLIC	PROGRAM SUPPORT	250
THOSOS DANCE 860 W BLACKHAWK STE 305 CHICAGO,IL 60642	UNRELATED	PUBLIC	PROGRAM SUPPORT	250
TUCSON SYMPHONY ORCHESTRA 2175 N SIXTH AVENUE TUCSON,AZ 85705	UNRELATED	PUBLIC	PROGRAM SUPPORT	3,000
U OF A FOUNDATION PO BOX 210109 TUCSON,AZ 85721	UNRELATED	PUBLIC	PROGRAM SUPPORT	4,750
Total  3a				48,625

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	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
Name and address (home or business)				
a <i>Paid during the year</i>				
UNIVERSITY OF CHICAGO 5235 S HARPER COURT STE 450 CHICAGO,IL 60615	UNRELATED	PUBLIC	PROGRAM SUPPORT	6,900
US FUND FOR UNICEF 125 MAIDEN LANE NEWYORK,NY 10038	UNRELATED	PUBLIC	PROGRAM SUPPORT	200
WBEZ PUBLIC RADIO 848 E GRAND AVENUE CHICAGO,IL 60611	UNRELATED	PUBLIC	PROGRAM SUPPORT	200
WTTWWFMT 5400 N ST LOUIS AVENUE CHICAGO,IL 60625	UNRELATED	PUBLIC	PROGRAM SUPPORT	700
Total  3a				48,625

TY 2014 Accounting Fees Schedule

Name: HERBST FAMILY FOUNDATION

EIN: 36-4333045

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	1,800	900		900

**TY 2014 Investments Corporate
Stock Schedule****Name:** HERBST FAMILY FOUNDATION**EIN:** 36-4333045

Name of Stock	End of Year Book Value	End of Year Fair Market Value
VANGUARD DIVIDEND APPRECIATION ETF	21,598	32,464
VANGUARD EXTENDED MARKET ETF	54,790	131,685
VANGUARD SHORT TERM CORP BOND ETF	47,928	47,778
SPDR S&P MID CAP 400 ETF	18,070	145,184
AFLAC INC.	3,543	30,545
AMERICAN ELECTRIC POWER COMPANY INC.	37,992	60,720
CENTURYLINK	28,633	39,580
ENSCO PLC CL A	50,295	29,950
FRONTIER COMMUNICATIONS CORP.	27,944	46,690
INTERNATIONAL BUSINESS MACHINES CORP.	17,600	16,044
JP MORGAN CHASE & CO. ALERIAN MLP INDEX	56,133	114,875
KINDER MORGAN INC. DE	43,529	55,003
PROCTER & GAMBLE COMPANY	21,143	31,881

TY 2014 Investments - Other Schedule**Name:** HERBST FAMILY FOUNDATION**EIN:** 36-4333045

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
ELLINGTON FINANCIAL	AT COST	122,119	119,760
WESTMINSTER FUND VI	AT COST	6,646	6,646
WESTMINSTER FUND VIII	AT COST	44,109	44,109

TY 2014 Other Decreases Schedule**Name:** HERBST FAMILY FOUNDATION**EIN:** 36-4333045

Description	Amount
BOOK/TAX DIFFERENCES FROM K-1'S	1,384
NONDEDUCTIBLE EXPENSES FROM K-1'S	582
DISALLOWED LOSS ON WASH SALE	1,848

TY 2014 Other Expenses Schedule**Name:** HERBST FAMILY FOUNDATION**EIN:** 36-4333045

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
PARTNERSHIP PASSTHROUGH DEDUCTIONS	2,894	2,894		0
LICENSES AND FEES	216	0		216

TY 2014 Other Income Schedule

Name: HERBST FAMILY FOUNDATION

EIN: 36-4333045

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
PARTNERSHIP PASSTHROUGH INCOME	9,613	2,607	9,613
VANGUARD OTHER INCOME	5,820	5,820	5,820

TY 2014 Other Increases Schedule

Name: HERBST FAMILY FOUNDATION

EIN: 36-4333045

Description	Amount
NONDIVIDEND DISTRIBUTIONS	2,697

TY 2014 Other Liabilities Schedule

Name: HERBST FAMILY FOUNDATION

EIN: 36-4333045

Description	Beginning of Year - Book Value	End of Year - Book Value
WESTMINSTER FUND V	0	1,222

TY 2014 Taxes Schedule

Name: HERBST FAMILY FOUNDATION

EIN: 36-4333045

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FOREIGN TAXES	11	11		0