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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

▶ Do not enter social security numbers on this form as it may be made public.
▶ 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
The Kay Family Foundation Inc

A Employer identification number
52-1045650

Number and street (or P O box number if mail is not delivered to street address)
8720 Georgia Avenue

Room/suite

B Telephone number (see instructions)

City or town, state or province, country, and ZIP or foreign postal code
Silver Spring, MD 20910

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 ☑ 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)*▶$ 16,972,903

J Accounting method ☑ Cash ☐ Accrual ☐ Other (specify) *(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) (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	222,960	222,960		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	71,430			
	b	Gross sales price for all assets on line 6a 210,192				
	7	Capital gain net income (from Part IV, line 2)		71,430		
	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)	444,706			
	12	**Total.** Add lines 1 through 11	739,096	294,390		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc				
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)				
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see instructions)				
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)	36,153	36,153		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	36,153	36,153		0
	25	Contributions, gifts, grants paid	178,481			178,481
	26	**Total expenses and disbursements.** Add lines 24 and 25	214,634	36,153		178,481
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	524,462			
	b	**Net investment income** (if negative, enter -0-)		258,237		
	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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing			
	2 Savings and temporary cash investments	1,469,769	1,626,907	1,626,907
	3 Accounts receivable ▶ 2,388			
	Less allowance for doubtful accounts ▶	462	2,388	2,388
	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)	6,834,610	7,049,565	10,550,175
	c Investments—corporate bonds (attach schedule)	701,543	720,802	726,069
	11 Investments—land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)	1,502,858	1,627,509	4,067,364
	14 Land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	10,509,242	11,027,171	16,972,903
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 (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 **Total liabilities** (add lines 17 through 22)		0	
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			
	28 Paid-in or capital surplus, or land, bldg , and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	10,509,242	11,027,171	
	30 **Total net assets or fund balances** (see instructions)	10,509,242	11,027,171	
	31 **Total liabilities and net assets/fund balances** (see instructions)	10,509,242	11,027,171	

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	10,509,242
2	Enter amount from Part I, line 27a	2	524,462
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	11,033,704
5	Decreases not included in line 2 (itemize) ▶	5	6,533
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	11,027,171

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			

	(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				
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				
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	71,430
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	244,366	13,349,084	0 01831
2012	307,740	5,508,309	0 05587
2011	891,042	4,869,979	0 18297
2010	862,673	5,185,171	0 16637
2009	1,100,310	5,700,051	0 19304

2	**Total** of line 1, column (d)	2	0 61655
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 12331
4	Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	16,280,536
5	Multiply line 4 by line 3	5	2,007,553
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	2,582
7	Add lines 5 and 6	7	2,010,135
8	Enter qualifying distributions from Part XII, line 4	8	178,481

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	5,165
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	
3	Add lines 1 and 2	3	5,165
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-	5	5,165
6	Credits/Payments		
a	2014 estimated tax payments and 2013 overpayment credited to 2014 — 6a: 3,360		
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	3,360
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	1,805
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	
11	Enter the amount of line 10 to be **Credited to 2015 estimated tax** ▶ **Refunded** ▶	11	

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		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)?	1b		No
	*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		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ________ **(2)** On foundation managers ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
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		No
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		No
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		No
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV.*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶MD			
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	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)? *If "Yes," complete Part XIV*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses.*	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 ▶Lauren Kay Pollin Telephone no ▶

Located at ▶8720 Georgia Ave Silver Spring MD ZIP+4 ▶20910

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 |

			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		No
	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 ▶			

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		No
	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		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? ☐ **Yes** ☑ **No**			
	If "Yes," list the years ▶ 20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see instructions)	2b		No
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		No
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**		No
	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**		No

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
Lauren K Pollin PO Box 427 Barnesville, MD 20838	Secretary 0 00	0		
Lauren K Pollin PO Box 427 Barnesville, MD 20838	Vice President 0 00	0		

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 ▶

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. . . . . ▶		

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 . . . . ▶	

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	10,770,366
b	Average of monthly cash balances		1b	1,582,021
c	Fair market value of all other assets (see instructions)		1c	4,176,076
d	**Total** (add lines 1a, b, and c)		1d	16,528,463
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	
3	Subtract line 2 from line 1d		3	16,528,463
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	247,927
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	16,280,536
6	**Minimum investment return.** Enter 5% of line 5		6	814,027

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	814,027
2a	Tax on investment income for 2014 from Part VI, line 5	2a 5,165		
b	Income tax for 2014 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	5,165
3	Distributable amount before adjustments Subtract line 2c from line 1		3	808,862
4	Recoveries of amounts treated as qualifying distributions		4	
5	Add lines 3 and 4		5	808,862
6	Deduction from distributable amount (see instructions)		6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1		7	808,862

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	178,481
b	Program-related investments—total from Part IX-B	1b	
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	178,481
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	178,481

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				808,862
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only.				
b Total for prior years 20___, 20___, 20___				
3 Excess distributions carryover, if any, to 2014				
a From 2009. 319,429				
b From 2010. 609,438				
c From 2011. 648,459				
d From 2012. 33,954				
e From 2013.				
f **Total** of lines 3a through e.	1,611,280			
4 Qualifying distributions for 2014 from Part XII, line 4 ▶ $ 178,481				
a Applied to 2013, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see instructions).				
c Treated as distributions out of corpus (Election required—see instructions).	0			
d Applied to 2014 distributable amount.				178,481
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2014	630,381			630,381
(If an amount appears in column (d), the same amount must be shown in column (a).)				
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	980,899			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.				
d Subtract line 6c from line 6b Taxable amount —see instructions				
e Undistributed income for 2013 Subtract line 4a from line 2a Taxable amount—see instructions				
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)				
8 Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions) . . .				
9 **Excess distributions carryover to 2015.** Subtract lines 7 and 8 from line 6a	980,899			
10 Analysis of line 9				
a Excess from 2010. . . . 298,486				
b Excess from 2011. . . . 648,459				
c Excess from 2012. . . . 33,954				
d Excess from 2013. . . .				
e Excess from 2014. . . .				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 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)

	Tax year	Prior 3 years			(e) Total
	(a) 2014	**(b)** 2013	**(c)** 2012	**(d)** 2011	
2a 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 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))

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 e-mail address of the person to whom applications should be addressed

Lauren Pollin
8720 Georgia Ave Suite 410
Silver Spring, MD 20910
(301) 589-8045

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

Letter stating purpose and need of organization

c Any submission deadlines

Rolling

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

None

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*				
Anti-Defamation League Dept DJ 823 United Nations Pl NY, NY 10017	None	501c3	Various	158,481
Blackrock Center for the Arts 12901 Town Commons Drive Germantown, MD 20874	None	501(c)(3)	Various	20,000
Total . . . . ▶ 3a				178,481
b *Approved for future payment*				
Total . . . . ▶ 3b				

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) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
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					
4 Dividends and interest from securities. . . .			14	222,960	
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.					
8 Gain or (loss) from sales of assets other than inventory			14	71,430	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory. .					
11 Other revenue a Recovery of Madoff Theft			18	444,706	
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e). .				739,096	

13 **Total.** Add line 12, columns (b), (d), and (e). **13** 739,096

(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) (See instructions)

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)**		**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 ☑ 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

******	2015-05-04	******
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
John J Schofield				P01431999

Firm's name ▶ Hariton Mancuso & Jones PC

Firm's EIN ▶

Firm's address ▶ 11140 Rockville Pike Rockville, MD 20852

Phone no (301) 984-6400

TY 2014 Other Decreases Schedule

Name: The Kay Family Foundation Inc

EIN: 52-1045650

Software ID: 14000265

Software Version: 2014v5.0

Description	Amount
Federal Taxes Paid	5,076
Foreign Tax Paid	1,457

TY 2014 Other Expenses Schedule

Name: The Kay Family Foundation Inc

EIN: 52-1045650

Software ID: 14000265

Software Version: 2014v5.0

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Investment Management fees	35,922	35,922		
Portfolio deductions	231	231		

TY 2014 Other Income Schedule

Name: The Kay Family Foundation Inc

EIN: 52-1045650

Software ID: 14000265

Software Version: 2014v5.0

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
Recovery of Madoff Theft	444,706		

The Kay Family Foundation
EIN 52-1045650
FMV & Cost of Investment Account
12/31/2014

	Cost Basis	Fair Market Value
Corporate Stocks		
Dodge and Cox Funds	166,961	221,314
Heritage - Account # CHHE002043	5,331,787	7,276,816
See Attachment #2 for breakdown of securities		
M & T Bank - 2,413 shares	43,750	303,121
Vanguard - Account # 1341-88043316359	1,507,067	2,748,924
Total	7,049,565	10,550,175
Corporate Bonds		
Vanguard - Account # 0084-88043316359	720,802	726,069
Total	720,802	726,069
Partnerships		
Kay Investment Group, LLC	127,745	2,567,600
Kay Group Funds, LLC	1,499,764	1,499,764
Total	1,627,509	4,067,364

Kay Famıly Foundatıon
Herıtage Stocks
12/31/2014

		Balance @ 12/31/14			
Stocks	**Shares**		**Cost**	FMV	
3M Co	400 000	$	42,194 00	$	65,728 00
Aır Products & Chemıcals	600 000	$	51,898 50	$	86,538 00
Alcoa Inc	7,000 000	$	62,790 00	$	110,530 00
Alcoa Inc	3,000 000	$	24,187 50	$	47,370 00
Altrıa Group	1,000 000	$	34,180 00	$	49,270 00
Altrıa Group	1,500 000	$	52,582 50	$	73,905 00
Amerıcan Express Co	1,400 000	$	78,481 06	$	130,256 00
Amerıcan Express Co	800 000	$	53,376 00	$	74,432 00
Apache Corp	1,000 000	$	75,370 00	$	62,670 00
Apache Corp	400 000	$	27,803 00	$	25,068 00
Apple, Inc	1,050 000	$	79,202 54	$	115,899 00
Apple, Inc	175 000	$	10,799 75	$	19,316 50
Apple, Inc	175 000	$	11,300 50	$	19,316 50
Apple, Inc	525 000	$	29,590 78	$	57,949 50
Archer Danıels	3,000 000	$	80,349 90	$	156,000 00
Archer Danıels	500 000	$	16,054 37	$	26,000 00
AT&T Inc	1,000 000	$	33,730 00	$	33,590 00
AT&T Inc	1,000 000	$	38,755 00	$	33,590 00
Automatıc Data Process *(spinoff CL*	600 000	$	34,173 90	$	50,022 00
Bank of Amerıca Corp	3,000 000	$	34,830 00	$	53,670 00
Bank of Amerıca Corp	1,000 000	$	15,417 50	$	17,890 00
Bank of Amerıca Corp	1,000 000	$	15,767 00	$	17,890 00
Boeıng	400 000	$	34,917 10	$	51,992 00
Capıtal One Fınancıal Group	1,200 000	$	64,824 00	$	99,060 00
Caterpıllar Inc	1,000 000	$	82,139 30	$	91,530 00
CDK Global *(ADP Spinoff)*	200 000	$	4,854 60	$	8,152 00
Cısco Systems	3,500 000	$	73,322 20	$	97,352 50
Cısco Systems	2,400 000	$	49,278 00	$	66,756 00
Coca Cola Co	2,000 000	$	75,279 00	$	84,440 00
CSX Corp	4,000 000	$	78,394 80	$	144,920 00
CSX Corp	1,000 000	$	23,692 50	$	36,230 00
Dıscover Fınancıal Servıces	800 000	$	34,520 00	$	52,392 00

Attachment #2

Kay Famıly Foundatıon
Herıtage Stocks
12/31/2014

Stocks	Balance @ 12/31/14 Shares		Cost		FMV
Dısney Walt Co	1,500 000	$	74,403 00	$	141,285 00
Dısney Walt Co	800 000	$	49,012 00	$	75,352 00
Du Pont I De Nemours	1,800 000	$	76,914 00	$	133,092 00
Du Pont I De Nemours	200 000	$	9,903 00	$	14,788 00
EMC Corp	3,000 000	$	74,822 70	$	89,220 00
EMC Corp	1,000 000	$	21,810 00	$	29,740 00
Express Scrıpts HLD	1,100 000	$	64,370 90	$	93,137 00
Exxon Mobıl Corp	900 000	$	81,108 00	$	83,205 00
Exxon Mobıl Corp	600 000	$	52,428 75	$	55,470 00
Fedex Corp	900 000	$	77,461 83	$	156,294 00
Fortune Brands	600 000	$	21,559 50	$	27,162 00
Gap Inc	1,000 000	$	37,097 50	$	42,110 00
General Electrıc Co	3,500 000	$	73,500 00	$	88,445 00
General Electrıc Co	2,700 000	$	58,853 25	$	68,229 00
Goldman Sachs	600 000	$	71,262 00	$	116,298 00
Google Inc CL A	100 000	$	34,703 24	$	53,066 00
Google Inc CL C	100 000	$	34,794 14	$	52,640 00
Google Inc CL A	75 000	$	29,480 06	$	39,799 50
Google Inc CL C	75 000	$	29,557 28	$	39,480 00
Hershey Co	320 000	$	30,033 57	$	33,257 60
Hewlett Packard	1,500 000	$	29,291 25	$	60,195 00
IBM	400 000	$	74,688 00	$	64,176 00
IBM	250 000	$	47,832 50	$	40,110 00
Intel Corp	3,500 000	$	78,282 75	$	127,015 00
Ishares MSCI EAFE	1,400 000	$	81,381 72	$	85,176 00
Ishares MSCI EAFE	600 000	$	35,427 78	$	36,504 00
Ishares Russell 2000	700 000	$	64,589 00	$	83,734 00
Johnson & Johnson	600 000	$	50,574 75	$	62,742 00
JP Morgan Chase	800 000	$	37,924 80	$	50,064 00
JP Morgan Chase	200 000	$	11,529 50	$	12,516 00
Lılly Ellı & Co	800 000	$	45,686 00	$	55,192 00
Lockheed Martın	400 000	$	38,420 00	$	77,028 00

Kay Family Foundation
Heritage Stocks
12/31/2014

	Balance @ 12/31/14				
Stocks	**Shares**		**Cost**		FMV
Marriott Intl Inc	2,000 000	$	72,090 00	$	156,060 00
Marriott Intl Inc	500 000	$	20,591 37	$	39,015 00
Mastercard	1,000 000	$	75,727 50	$	86,160 00
Mastercard	200 000	$	15,315 46	$	17,232 00
McDonalds Corp	1,000 000	$	84,020 00	$	93,700 00
Microsoft Corp	3,000 000	$	82,470 00	$	139,350 00
Microsoft Corp	1,000 000	$	30,325 00	$	46,450 00
Monsanto Co	400 000	$	41,394 50	$	47,788 00
Nike Inc *(Stock split 2:1 12/26/12)*	1,600 000	$	79,296 00	$	153,840 00
Nike Inc	400 000	$	24,342 47	$	38,460 00
Paccar Inc	1,700 000	$	76,191 62	$	115,617 00
Paccar Inc	1,000 000	$	48,204 50	$	68,010 00
Pepsico Inc	500 000	$	41,352 50	$	47,280 00
Pfizer Inc	62 000	$	1,763 28	$	1,931 30
Pfizer Inc	1,138 000	$	34,022 44	$	35,448 70
Pfizer Inc	800 000	$	23,869 76	$	24,920 00
Phillip Morris Intl Inc	400 000	$	33,540 00	$	32,580 00
Phillip Morris Intl Inc	600 000	$	55,307 24	$	48,870 00
Praxair Inc	700 000	$	75,613 93	$	90,692 00
Price T Rowe Group	400 000	$	29,809 24	$	34,344 00
Price T Rowe Group	600 000	$	44,770 92	$	51,516 00
Price T Rowe Group	200 000	$	15,977 50	$	17,172 00
Proctor & Gamble Co	1,000 000	$	69,680 00	$	91,090 00
Qualcomm Inc	1,200 000	$	76,759 44	$	89,196 00
Raytheon Co	600 000	$	34,488 00	$	64,902 00
Schlumberger Ltd	1,000 000	$	71,865 70	$	85,410 00
SPDR S&P Midcap 400 ETF	350 000	$	71,214 50	$	92,389 50
SPDR S&P Midcap 400 ETF	300 000	$	61,099 29	$	79,191 00
TEVA Pharmaceutical ADR	1,800 000	$	69,603 48	$	103,518 00
TEVA Pharmaceutical ADR	800 000	$	30,314 00	$	46,008 00
Toyota Motor Corp	600 000	$	61,896 66	$	75,288 00
United Parcel Service	600 000	$	49,726 50	$	66,702 00
United Technologies Corp	1,000 000	$	75,276 10	$	115,000 00

Attachment #2

Kay Famıly Foundatıon
Herıtage Stocks
12/31/2014

Stocks	Balance @ 12/31/14 Shares		Cost		FMV
Vanguard FTSE EMG ETF	2,000 000	$	77,008 20	$	80,040 00
Vanguard FTSE EMG ETF	500 000	$	18,832 10	$	20,010 00
Vanguard Small Cap ETF	600 000	$	52,644 54	$	69,996 00
Verızon Communıcatıons	1,800 000	$	80,171 64	$	84,204 00
Verızon Communıcatıons	1,000 000	$	52,461 00	$	46,780 00
Walmart Stores Inc	1,000 000	$	69,118 60	$	85,880 00
Walmart Stores Inc	500 000	$	38,972 50	$	42,940 00
YUM Brands Inc	1,000 000	$	65,320 00	$	72,850 00
YUM Brands Inc	800 000	$	52,282 00	$	58,280 00
Zımmer Holdıngs	400 000	$	29,456 40	$	45,368 00
Zoetıs *(spinoff Pfizer)*	358 000	$	12,288 84	$	15,404 74
Zoetıs Inc	142 000	$	4,179 06	$	6,110 26
Zoetıs Inc	2,500 000	$	78,375 00	$	107,575 00
	119,695 000	$	5,331,786 85	$	7,276,815 60

Attachment #2