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: Colonial Foundation, Inc.

A Employer identification number: 58-1693323

Number and street (or P O box number if mail is not delivered to street address): P.O. Box 576 | Room/suite:

B Telephone number: (912)236-1331

City or town, state or province, country, and ZIP or foreign postal code: Savannah, GA 31402-0576

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)* ▶$ 8,430,877.

J Accounting method: ☐ Cash [X] 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))

	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	600,000.			
	2	Check ▶ [X] if the foundation is not required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	149,141.	149,141.	149,141.	
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	163,970.			
	b	Gross sales price for all assets on line 6a 329,888.				
	7	Capital gain net income (from Part IV, line 2)		163,970.		
	8	Net short-term capital gain			N/A	
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss)				
	11	Other income	<8,500.>	<8,500.>	<8,500.	Statement 1
	12	**Total** Add lines 1 through 11	904,611.	304,611.	140,641.	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0.	0.	0.	0.
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees				
	b	Accounting fees				
	c	Other professional fees Stmt 2	38,333.	38,333.	0.	0.
	17	Interest				
	18	Taxes Stmt 3	5,497.	0.	0.	0.
	19	Depreciation and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses Stmt 4	15.	0.	0.	0.
	24	**Total operating and administrative expenses.** Add lines 13 through 23	43,845.	38,333.	0.	0.
	25	Contributions, gifts, grants paid	772,365.			772,365.
	26	**Total expenses and disbursements.** Add lines 24 and 25	816,210.	38,333.	0.	772,365.
	27	Subtract line 26 from line 12:				
	a	Excess of revenue over expenses and disbursements	88,401.			
	b	**Net investment income** (if negative, enter -0-)		266,278.		
	c	**Adjusted net income** (if negative, enter -0-)			140,641.	

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

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	74,515.	16,467.	16,467.
	2 Savings and temporary cash investments	164,002.	71,870.	71,870.
	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			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock Stmt 5	3,969,340.	4,290,231.	7,643,341.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other Stmt 6	783,777.	699,199.	699,199.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers - see the instructions. Also, see page 1, item I)	4,991,634.	5,077,767.	8,430,877.
Liabilities	17 Accounts payable and accrued expenses	7,594.	5,326.	
	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 ▶)			
	23 **Total liabilities** (add lines 17 through 22)	7,594.	5,326.	
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	4,984,040.	5,072,441.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	0.	0.	
	30 **Total net assets or fund balances**	4,984,040.	5,072,441.	
	31 **Total liabilities and net assets/fund balances**	4,991,634.	5,077,767.	

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	4,984,040.
2	Enter amount from Part I, line 27a	2	88,401.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	5,072,441.
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	5,072,441.

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	Please See Attached	P		
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	329,888.		165,918.	163,970.
b				
c				
d				
e				

	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	
a				163,970.
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	163,970.
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	163,970.

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	999,371.	7,476,278.	.133672
2012	951,730.	7,275,461.	.130814
2011	1,294,285.	7,726,976.	.167502
2010	1,343,145.	7,591,218.	.176934
2009	1,268,500.	4,913,854.	.258148

2 **Total** of line 1, column (d)	2	.867070
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	.173414
4 Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	8,198,459.
5 Multiply line 4 by line 3	5	1,421,728.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	2,663.
7 Add lines 5 and 6	7	1,424,391.
8 Enter qualifying distributions from Part XII, line 4	8	772,365.

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 ▶ ☐ and enter 1% of Part I, line 27b c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		1	5,326.
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	5,326.
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	5,326.
6 Credits/Payments:			
a 2014 estimated tax payments and 2013 overpayment credited to 2014	6a		
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d		7	0.
8 Enter any **penalty** for underpayment of estimated tax. Check here [X] if Form 2220 is attached		8	119.
9 **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶		9	5,445.
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		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? N/A	4b		
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) ▶ GA			
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

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 ▶ N/A

14 The books are in care of ▶ F. A. Brown Telephone no. ▶ 912-236-1331

Located at ▶ 101 North Lathrop Ave., Savannah, GA ZIP+4 ▶ 31415

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)? N/A | **1b** | |

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.)* | **3b** | | X

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

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Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required *(continued)*

		Yes	No
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**		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
R. H. Demere, Jr. 101 N. Lathrop Ave. Savannah, GA 31415	President; Secretary 0.25	0.	0.	0.
F. A. Brown 101 N. Lathrop Ave. Savannah, GA 31415	V. P. Finance; Treasurer 0.25	0.	0.	0.
W. A. Baker, Jr. 101 N. Lathrop Ave. Savannah, GA 31415	Vice President 0.25	0.	0.	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
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. 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 Contributed financial support to organizations that were organized as non-profit organizations under Sec. 501(c)3.	0.
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 N/A	
2	
All other program-related investments. See instructions. 3	
Total. Add lines 1 through 3 ▶	0.

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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	7,611,934.
b	Average of monthly cash balances		1b	12,176.
c	Fair market value of all other assets		1c	699,199.
d	**Total** (add lines 1a, b, and c)		1d	8,323,309.
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	8,323,309.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	124,850.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	8,198,459.
6	**Minimum investment return.** Enter 5% of line 5		6	409,923.

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	409,923.
2a	Tax on investment income for 2014 from Part VI, line 5	2a 5,326.		
b	Income tax for 2014. (This does not include the tax from Part VI.)	2b		
c	Add lines 2a and 2b		2c	5,326.
3	Distributable amount before adjustments. Subtract line 2c from line 1		3	404,597.
4	Recoveries of amounts treated as qualifying distributions		4	0.
5	Add lines 3 and 4		5	404,597.
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	404,597.

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	772,365.
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	772,365.
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	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	772,365.

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				404,597.
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only			0.	
b Total for prior years: ______ , ______ , ______		0.		
3 Excess distributions carryover, if any, to 2014:				
a From 2009 — 1,024,769.				
b From 2010 — 967,606.				
c From 2011 — 909,688.				
d From 2012 — 597,249.				
e From 2013 — 633,151.				
f **Total** of lines 3a through e	4,132,463.			
4 Qualifying distributions for 2014 from Part XII, line 4: ▶ $ 772,365.				
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				404,597.
e Remaining amount distributed out of corpus	367,768.			
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	4,500,231.			
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				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	1,024,769.			
9 **Excess distributions carryover to 2015.** Subtract lines 7 and 8 from line 6a	3,475,462.			
10 Analysis of line 9:				
a Excess from 2010 — 967,606.				
b Excess from 2011 — 909,688.				
c Excess from 2012 — 597,249.				
d Excess from 2013 — 633,151.				
e Excess from 2014 — 367,768.				

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:

F. A. Brown, 912-236-1331
101 North Lathrop Avenue, Savannah, GA 31415

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

Letter and copy of IRS letter granting tax exempt status under 501(c)(3)

c Any submission deadlines:

None

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				
Please See Attached	None			772,365.
Total			▶ 3a	772,365.
b Approved for future payment				
None				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) 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					
4 Dividends and interest from securities			14	149,141.	
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			16	<8,500.>	
8 Gain or (loss) from sales of assets other than inventory			18	163,970.	
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.		304,611.	0.

13 **Total**. Add line 12, columns (b), (d), and (e) 13 304,611.

(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

Signature of officer or trustee: [signature] | Date: 4/6/2015 | Title: VP & Treasurer

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
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

423622
11-24-14

Form 990-PF	Other Income	Statement 1

Description	(a) Revenue Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income
Interest	836.	836.	836.
Rent	<5,012.>	<5,012.>	<5,012.>
Other	<4,324.>	<4,324.>	<4,324.>
Total to Form 990-PF, Part I, line 11	<8,500.>	<8,500.>	<8,500.>

Form 990-PF	Other Professional Fees	Statement 2

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Investment fees	38,333.	38,333.	0.	0.
To Form 990-PF, Pg 1, ln 16c	38,333.	38,333.	0.	0.

Form 990-PF	Taxes	Statement 3

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Excise Tax	5,497.	0.	0.	0.
To Form 990-PF, Pg 1, ln 18	5,497.	0.	0.	0.

Form 990-PF	Other Expenses	Statement 4

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Miscellaneous	15.	0.	0.	0.
To Form 990-PF, Pg 1, ln 23	15.	0.	0.	0.

Form 990-PF	Corporate Stock	Statement 5

Description	Book Value	Fair Market Value
	4,290,231.	7,643,341.
Total to Form 990-PF, Part II, line 10b	4,290,231.	7,643,341.

Form 990-PF	Other Investments	Statement 6

Description	Valuation Method	Book Value	Fair Market Value
	COST	699,199.	699,199.
Total to Form 990-PF, Part II, line 13		699,199.	699,199.

COLONIAL FOUNDATION, INC.

CONTRIBUTIONS PAID IN 2014

FEI 58-1693323

ORGANIZATION	Reference	Contribution
Humane Society	Matching Gift	250
Pay It Forward	Matching Gift	250
Parents and Friends of Hancock	Matching Gift	500
Joslin Diabetes Center	Matching Gift	250
Georgia Tech Foundation	Matching Gift	100
Ogeechee Area Hospice	Matching Gift	1,000
Star of Hope Mission	Matching Gift	330
Methodist Children's Home	Matching Gift	335
March of Dimes	Golf Tournament	250
Kennesaw State Univ Foundation	Matching Gift	100
Independent Scholarship	Matching Gift	1,000
St. Jude Children's Research Hospital	Matching Gift	200
Girls on the Run	Pledge	5,000
MUSC Children's Hospital	General Fund	1,000
Benedictine Military School	Auction	1,000
American Diabetes Assoc	Matching Gift	950
Boys & Girls Club of Jasper County	General Fund	5,000
Providence Place	Matching Gift	335
Mighty Eighth	Legacy Ball	10,000
Armstrong University		1,000
Historic Savannah Foundation	General Fund	3,000
Leukemia & Lymphoma Society	Regatta	5,000
National MS Society	Matching Gift	100
National MS Society	Matching Gift	100
National MS Society	Matching Gift	100
American Cancer Society	Relay for Life	500
MDA	HOG 20th dance	250
Alzheimers Association	Dancing Stars	2,500
Savannah Sailing Center	GPA fundraiser	1,500
Chatham Savannah Citizen Advocacy	Matching Gift	100

AFP	National Philanthropy Day	500
Froebel Circle	Fresh Air Home	500
St. Andrew's School	Annual Fund	7,500
Savannah Tree Foundation	6th annual fall frolic	1,000
GA Tech Foundation	Matching Gift	100
Highland Park Education Foundation	Matching Gift	250
Leukemia & Lymphoma Society	Golf Invitational	900
Savannah Ballet Theatre		1,000
Bethesda Academy	Sporting Clays	250
Savannah Music Festival	Matching Gift	1,000
Junior Achievement	Matching Gift	250
Benjamin Wyatt Burris	Matching Gift	1,000
Friends of Public Radio	Matching Gift	500
Georgia Rescue Rehabilitation		25,000
American Red Cross	General Fund	5,000
American Traditions	2015 sponsorship	6,000
America's Second Harvest	Operating Fund	1,000
Benedictine Military School	Auction	1,000
Bethesda	General Fund	1,000
Boys & Girls Club of Jasper County	2015 sponsorship	5,000
Caretta Research Project	General Fund	1,000
Chatham Savannah Citizen Advocacy	Pledge	4,000
Coastal Heritage Society	Membership	365
Davenport House	General Fund	500
Georgia Council on Economic Education	Pledge	1,000
Georgia Historical Society	Pledge	20,000
Georgia Historical Society	2015 History Festival	25,000
Georgia Independent College Assoc.	General Fund	3,000
Georgia Public Broadcasting	Membership	1,000
Historic Savannah Foundation	Pledge	25,000
Historic Savannah Foundation	General Fund	3,000
Hospice - Daily Impact Fund	Operating Fund	1,000
Hospice Savannah (building fund)	Pledge	100,000
Junior Achievement	2014 Hall of Fame	10,000
Junior League	Pledge	2,500

Medbank Foundation	2015 Fundraiser	7,500
Mighty Eighth	2015 Legacy Ball	7,500
Nature Conservancy of Georgia	Membership	2,500
Royce Learning Center	Annual Fund	1,000
Saint Joseph's/Candler (movement disorders)	Pledge	50,000
Saint Vincent's Academy	Pledge	50,000
Salvation Army	General Fund	2,000
Savannah Area Chamber - Bridge Run	2014 Bridge Run	10,000
Savannah Area Family Shelter	General Fund	1,000
Savannah Center for Blind & Low Vision	Children's Program	1,000
Savannah Community Foundation	RHD Scholarship	3,000
Savannah Country Day School	Pledge	100,000
Savannah Country Day School	Annual Fund	10,000
Savannah Music Festival	2015 Festival	5,000
Savannah Philharmonic	2014/2015 Season	10,000
Southeastern Legal	General Fund	1,000
Telfair	2015 Telfair Ball	25,000
Telfair	Membership	1,500
Two Hundred Club	Membership	250
Union Mission	Pledge	25,000
United Way	Employee Match	101,000
Whitefield Foundation	Whitefield Ctr Building	50,000
YMCA	Annual Campaign	5,000
Stephen Siller Tunnel To Towers	Building for America's Best - Colonial Energy	5,000
		772,365

Schedule of Realized Gains and Losses

2014 Tax Year

Preoared For:

COLONIAL FOUNDATION INC
ATTN FRANK A BROWN COL OIL IND
P O BOX 576
SAVANNAH GA 31402

Quantity	Name	Security	Open Date	Cost Amount	Adjusted Cost Amount	Trade Price	Close Date	Close Amt	Close Price	Realized	% Gain or Loss
Long											
500	BAXTER INTL INC	BAX	4/22/2005[N]	18,373 10[N]		36 6449	12/12/2014	35,989 70	72 1400	17,616 60	95 88
0 1249	CDK GLOBAL INC	CDK	3/30/2010[N]	2 12[N]		16 8969	10/7/2014	3 81	30 5093	1 69	79 72
0 2081	CDK GLOBAL INC	CDK	9/24/2010[N]	3 36[N]		16 0811	10/7/2014	6 36	30 5593	3 00	89 29
200	CVS HEALTH CORP	CVS	12/27/2005[N]	5,374.20[N]		26 7700	12/12/2014	18,052 09	90 6600	12,677 89	235 90
18	DISNEY WALT COMPANY	DIS	12/23/2004[N]	378 73[N]		27 0750	2/25/2014	1,452.42	80 9567	1,073 69	283 50
282	DISNEY WALT COMPANY	DIS	1/31/2007[N]	9,809 94[N]		34 7870	2/25/2014	22,754 65	80.9567	12,944 71	131 96
200	WALT DISNEY CO	DIS	1/29/2008[N]	5,774.40[N]		28 7700	12/12/2014	18,362 09	92 2100	12,587 69	217 99
300	HELMERICH & PAYNE INC	HP	1/29/2008[N]	11,481 84[N]		38 1716	5/29/2014	32,193.78	107 5800	20,711 94	180 39
150	HOME DEPOT INC	HD	1/8/2010[N]	4,341 38[N]		28 8380	8/25/2014	13,645 19	91 5000	9,303 81	214 31
200	HOME DEPOT INC	HD	1/8/2010[N]	5,788 50[N]		28 8380	12/12/2014	20,018 05	100 4900	14,229 55	245 82
250	HONEYWELL INTL INC	HON	4/28/2005[N]	9,086 05[N]		36 2422	2/25/2014	23,422 62	94 0101	14,336 57	157 79
250	INTEL CORP	INTC	7/30/2009[N]	4,890 04[N]		19 4590	12/12/2014	9,037 79	36 4700	4,147 75	84 82
2,500	MATTEL INC	MAT	6/26/2012[F]	80,304 25[N]	76,704 25	32 0199	10/10/2014	76,719.04	30 7901	14 79	0 02
200	NIKE INC CL B	NKE	3/27/2009[N]	4,693 85[N]		23 4180	12/12/2014	19,304 19	96 9206	14,610 34	311 27
200	UNION PACIFIC CORP	UNP	8/11/2005[N]	3,482 59[N]		17 3875	12/12/2014	22,751 99	114 1600	19,269 40	553 31
200	VNGRD REIT INDX ETF	VNQ	5/22/2009[N]	6,181 90[N]	5,733 64	30 8080	12/12/2014	16,174 14	81 2700	10,440 50	168 69
				169,966.25	82,437 89			329,887.91		163,969 92	

Schedule of Realized Gains and Losses

2014 Tax Year

Prepared For:

COLONIAL FOUNDATION INC

Quantity	Name	Security	Open Date	Cost Amount	Adjusted Cost Amount	Trade Price	Close Date	Close Amt	Close Price	Realized	% Gain or Loss
Report Summary				169,966.25	82,437.89			329,887.91		163,969.92	

Realized Gains or Losses

Long Term	163,969.92

Legend

(*) Security Held Away

Open Date	*Cost Amount*
C - Covered Tax Lot	E - Pre Effective
N - Noncovered Tax Lot	O - Post Effective
M - Net Row Contains Both Covered and Noncovered Tax Lots	N - Not Average Cost
W - Open Date Reflects Wash Sale Date	M - Net Row Contains Tax Lots with Multiple Elections

This report is a service from your Investment Executive, not a substitute for your account statements and confirmations This report is prepared as of trade date rather than settlement date and may be prepared on a different date than your statement This report uses information from sources we believe are reliable, but we cannot guarantee the accuracy of this information or the reliability of these sources If you find discrepancies in this report, please contact your Investment Executive
*Prices for Independently Valued Direct Investments cannot be displayed on this report and are not included in the portfolio value shown Refer to your monthly statement or contact your Investment Executive for further information