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
JOHN & LEE ELLA MCDONALD
SCHOLARSHIP FUND TRUST

A Employer identification number
71-6182849

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
C/O SIMMONS PO BOX 3010

B Telephone number (see instructions)
(479) 751-4011

City or town, state or province, country, and ZIP or foreign postal code
RUSSELLVILLE, AR 72811

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)*▶$ 208,410

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	6,020	6,020		
	5a	Gross rents				
	b	Net rental income or (loss) ________				
	6a	Net gain or (loss) from sale of assets not on line 10	4,904			
	b	Gross sales price for all assets on line 6a 102,250				
	7	Capital gain net income (from Part IV, line 2)		320		
	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)				
	12	**Total.** Add lines 1 through 11	10,924	6,340		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	3,024	1,746		1,278
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)	450	260		190
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	107	62		45
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)				
	24	**Total operating and administrative expenses.** Add lines 13 through 23	3,581	2,068		1,513
	25	Contributions, gifts, grants paid	8,000			8,000
	26	**Total expenses and disbursements.** Add lines 24 and 25	11,581	2,068		9,513
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-657			
	b	**Net investment income** (if negative, enter -0-)		4,272		
	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			
	2	Savings and temporary cash investments	20,344	23,455	23,455
	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)	46,580	51,564	55,402
	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)	138,446	129,836	129,526
	14	Land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶)	159	27	27
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	205,529	204,882	208,410
Liabilities	17	Accounts payable and accrued expenses	87	85	
	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)	87	85	
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	5,000	5,000	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	200,442	199,797	
	30	**Total net assets or fund balances** (see instructions)	205,442	204,797	
	31	**Total liabilities and net assets/fund balances** (see instructions)	205,529	204,882	

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	205,442
2	Enter amount from Part I, line 27a	2	-657
3	Other increases not included in line 2 (itemize) ▶	3	12
4	Add lines 1, 2, and 3	4	204,797
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	204,797

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			(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				
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	320
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	9,728	205,044	0 047443
2012	10,977	207,407	0 052925
2011	10,101	208,741	0 048390
2010	11,549	208,884	0 055289
2009	12,951	196,758	0 065822

2	**Total** of line 1, column (d)	2	0 269869
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 053974
4	Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	203,774
5	Multiply line 4 by line 3	5	10,998
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	43
7	Add lines 5 and 6	7	11,041
8	Enter qualifying distributions from Part XII, line 4	8	9,513

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	85
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	85
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	85
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	
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	85
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		
	*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		
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		
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		
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) ▶ ________			
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		
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)*

			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		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 ▶SIMMONS FIRST TRUST CO Telephone no ▶(479) 967-6763

Located at ▶PO BOX 3010 RUSSELLVILLE AR ZIP +4 ▶72811

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		
	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		
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		
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
SIMMONS TRUST CO PO BOX 3010 RUSSELLVILLE, AR 72811	TRUSTEE 1 00	3,024	0	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 PAYMENT OF SCHOLARSHIPS	8,000
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 N/A	
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	21,900
b	Average of monthly cash balances	1b	184,977
c	Fair market value of all other assets (see instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	206,877
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	206,877
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	3,103
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	203,774
6	**Minimum investment return.** Enter 5% of line 5	6	10,189

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	10,189
2a	Tax on investment income for 2014 from Part VI, line 5	2a	85		
b	Income tax for 2014 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	85
3	Distributable amount before adjustments Subtract line 2c from line 1			3	10,104
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	10,104
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	10,104

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	9,513
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	9,513
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	9,513

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					10,104
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.	3,259				
b	From 2010.	1,216				
c	From 2011.					
d	From 2012.	711				
e	From 2013.					
f	**Total** of lines 3a through e.		5,186			
4	Qualifying distributions for 2014 from Part XII, line 4 ▶ $ 9,513					
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).					
d	Applied to 2014 distributable amount.					9,513
e	Remaining amount distributed out of corpus					
5	Excess distributions carryover applied to 2014 *(If an amount appears in column (d), the same amount must be shown in column (a).)*		591			591
6	**Enter the net total of each column as indicated below:**					
a	Corpus Add lines 3f, 4c, and 4e Subtract line 5		4,595			
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) . . .		2,668			
9	**Excess distributions carryover to 2015.** Subtract lines 7 and 8 from line 6a		1,927			
10	Analysis of line 9					
a	Excess from 2010. . . .	1,216				
b	Excess from 2011. . . .					
c	Excess from 2012. . . .	711				
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

CHARLESTON HIGH SCHOOL COUNSELOR
PO BOX 188
PO BOX 188
CHARLESTON, AR 72933
(479) 965-7150

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

SHOW SCHOLASTIC APTITUDE AND FINANCIAL NEED FIRST YEAR STUDENT ATTENDING A FOUR YEAR COLLEGE CHARLESTON ARKANSAS HIGH SCHOOL GRADUATE

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

GRADUATE OF CHARLESTON, AR HIGH SCHOOL FIRST YEAR STUDENT ATTENDING A FOUR YEAR COLLEGE

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* See Additional Data Table				
Total . . . . ▶ **3a**				8,000
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	6,020	
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			26	4,904	
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). .				10,924	

13 **Total.** Add line 12, columns (b), (d), and (e). 13 10,924

(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

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 ☑ 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

****** | 2015-03-23 | ******

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ▶ ☐	PTIN
LORI A MELTON		2015-03-18		P00019874

Firm's name ▶ SHOPTAW LABAHN & COMPANY PA

Firm's EIN ▶ 71-0698607

Firm's address ▶ 915 W MAIN STREET SUITE B RUSSELLVILLE, AR 72801

Phone no (479) 967-3600

Form 990PF Part XV Line 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*				
SHELBY GARTMAN CHARLESTON AR CHARLESTON CHARLESTON,AR 72933	NONE	N/A	SCHOLARSHIP	1,600
TREVOR HENNING CHARLESTON AR CHARLESTON CHARLESTON,AR 72933	NONE	N/A	SCHOLARSHIP	1,600
AUSTIN GATTIS CHARLESTON AR CHARLESTON CHARLESTON,AR 72933	NONE	N/A	SCHOLARSHIP	1,600
BRITTANY WOMACK CHARLESTON AR CHARLESTON CHARLESTON,AR 72933	NONE	N/A	SCHOLARSHIP	1,600
ASHLYN J JONES CHARLESTON AR CHARLESTON CHARLESTON,AR 72933	NONE	N/A	SCHOLARSHIP	1,600
Total . . . . ▶ **3a**				8,000

TY 2014 Accounting Fees Schedule

Name: JOHN & LEE ELLA MCDONALD
SCHOLARSHIP FUND TRUST

EIN: 71-6182849

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INDIRECT ACCOUNTING FEES	450	260		190

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

TY 2014 Gain/Loss from Sale of Other Assets Schedule

Name: JOHN & LEE ELLA MCDONALD SCHOLARSHIP FUND TRUST

EIN: 71-6182849

Name	Date Acquired	How Acquired	Date Sold	Purchaser Name	Gross Sales Price	Basis	Basis Method	Sales Expenses	Total (net)	Accumulated Depreciation
28 000000 SHARES OF SELECT SECTOR SP	2013-12	PURCHASE	2014-02		2,328	2,430			-102	
19 SHARES OF SELECT SECTOR SPDR ENER	2013-08	PURCHASE	2014-02		1,609	1,592			17	
8 SHARES OF SELECT SECTOR SPDR ENERG	2013-12	PURCHASE	2014-02		677	694			-17	
4 561 SHARES OF COLUMBIA ACORN INTL-	2013-07	PURCHASE	2014-02		215	203			12	
42 SHARES OF SPDR S&P 500 ETF TR UNI	2013-12	PURCHASE	2014-02		7,782	7,668			114	
6 SHARES OF SPDR S&P 500 ETF TR UNIT	2014-01	PURCHASE	2014-02		1,112	1,098			14	
24 SHARES OF SPDR S&P 500 ETF TR UNI	2014-01	PURCHASE	2014-02		4,447	4,392			55	
13 SHARES OF SPDR S&P 500 ETF TR UNI	2014-02	PURCHASE	2014-02		2,409	2,366			43	
15 SHARES OF SPDR S&P MIDCAP 400 ETF	2013-12	PURCHASE	2014-02		3,743	3,623			120	
8 SHARES OF SPDR S&P MIDCAP 400 ETF	2014-01	PURCHASE	2014-02		1,996	1,945			51	
3 SHARES OF SPDR S&P MIDCAP 400 ETF	2014-02	PURCHASE	2014-02		749	691			58	
11 SHARES OF ISHARES TR CORE S&P SMA	2013-05	PURCHASE	2014-02		1,204	938			266	
16 SHARES OF ISHARES TR CORE S&P SMA	2013-12	PURCHASE	2014-02		1,752	1,741			11	
9 SHARES OF ISHARES TR CORE S&P SMAL	2014-02	PURCHASE	2014-02		985	916			69	
5 000000 SHARES OF VANGUARD MID-CAP	2014-02	PURCHASE	2014-04		558	569			-11	
6 SHARES OF SPDR S&P HOMEBUILDERS ET	2013-12	PURCHASE	2014-05		184	197			-13	
128 000000 SHARES OF SELECT SECTOR S	2013-12	PURCHASE	2014-05		2,795	2,786			9	
7 SHARES OF MARKET VECTORS GOLD MINE	2013-08	PURCHASE	2014-05		154	211			-57	
3 SHARES OF MARKET VECTORS GOLD MINE	2013-09	PURCHASE	2014-05		66	85			-19	
24 SHARES OF MARKET VECTORS GOLD MIN	2014-03	PURCHASE	2014-05		527	631			-104	
6 SHARES OF ISHARES MSCI EAFE SMALL	2014-02	PURCHASE	2014-08		308	314			-6	
27 SHARES OF ISHARES IBOXX HIGH YIEL	2013-10	PURCHASE	2014-08		2,541	2,474			67	
122 738 SHARES OF VANGUARD DEVELOPED	2014-01	PURCHASE	2014-10		1,551	1,626			-75	
21 000000 SHARES OF VANGUARD SMALL-C	2014-02	PURCHASE	2014-10		2,293	2,380			-87	
13 SHARES OF VANGUARD FTSE EMERGING	2014-02	PURCHASE	2014-10		532	510			22	
26 SHARES OF VANGUARD MID-CAP ETF	2014-02	PURCHASE	2014-10		3,008	2,961			47	
10 SHARES OF VANGUARD MID-CAP ETF	2014-05	PURCHASE	2014-10		1,157	1,125			32	
5 SHARES OF VANGUARD MID-CAP ETF	2014-05	PURCHASE	2014-10		578	574			4	
4 SHARES OF VANGUARD MID-CAP ETF	2014-06	PURCHASE	2014-10		463	472			-9	
10 SHARES OF VANGUARD GROWTH ETF	2014-02	PURCHASE	2014-10		979	952			27	

Name	Date Acquired	How Acquired	Date Sold	Purchaser Name	Gross Sales Price	Basis	Basis Method	Sales Expenses	Total (net)	Accumulated Depreciation
7 SHARES OF SPDR S & P METALS & MINI	2013-12	PURCHASE	2014-12		229	280			-51	
49 84 SHARES OF VANGUARD DEVELOPED M	2014-01	PURCHASE	2014-12		614	660			-46	
71 SHARES OF ISHARES S & P 100 ETF	2010-12	PURCHASE	2014-01		5,796	4,038			1,758	
56 SHARES OF ISHARES MSCI EAFE ETF	2011-12	PURCHASE	2014-01		3,693	2,755			938	
38 SHARES OF ISHARES MSCI EAFE ETF	2012-02	PURCHASE	2014-01		2,506	2,034			472	
14 SHARES OF VANGUARD FTSE EMERGING	2011-04	PURCHASE	2014-01		531	685			-154	
3 SHARES OF VANGUARD FTSE EMERGING M	2011-05	PURCHASE	2014-01		114	146			-32	
181 778 SHARES OF FEDERATED KAUFMANN	2009-06	PURCHASE	2014-02		1,100	700			400	
151 526 SHARES OF FEDERATED STRATEGI	2012-11	PURCHASE	2014-02		1,374	1,423			-49	
18 SHARES OF ISHARES MSCI EMERGING M	2012-03	PURCHASE	2014-02		714	796			-82	
86 000000 SHARES OF SELECT SECTOR SP	2013-03	PURCHASE	2014-04		3,084	2,598			486	
42 SHARES OF SPDR S&P HOMEBUILDERS E	2013-04	PURCHASE	2014-05		1,287	1,246			41	
22 SHARES OF ISHARES IBOXX HIGH YIEL	2010-02	PURCHASE	2014-08		2,071	1,849			222	
38 SHARES OF ISHARES IBOXX HIGH YIEL	2013-05	PURCHASE	2014-08		3,576	3,633			-57	
29 SHARES OF ISHARES IBOXX HIGH YIEL	2013-08	PURCHASE	2014-08		2,729	2,637			92	
84 SHARES OF ISHARES 1-3 YEAR TREASU	2012-04	PURCHASE	2014-09		7,097	7,093			4	
2 SHARES OF VANGUARD FTSE EMERGING M	2011-04	PURCHASE	2014-10		82	98			-16	
33 SHARES OF VANGUARD FTSE EUROPE ET	2013-09	PURCHASE	2014-10		1,789	1,823			-34	
20 000000 SHARES OF MARKET VECTORS G	2013-08	PURCHASE	2014-11		344	603			-259	
289 85 SHARES OF FIDELITY INTERMEDIA	2001-07	PURCHASE	2014-12		3,168	2,977			191	
97 276 SHARES OF FIDELITY INTERMEDIA	2002-05	PURCHASE	2014-12		1,063	1,000			63	
370 736 SHARES OF FIDELITY INTERMEDI	2007-03	PURCHASE	2014-12		4,052	3,822			230	
264 199 SHARES OF FIDELITY INTERMEDI	2007-04	PURCHASE	2014-12		2,888	2,719			169	
212 095 SHARES OF FIDELITY INTERMEDI	2012-08	PURCHASE	2014-12		2,318	2,352			-34	
15 SHARES OF SPDR S & P METALS & MIN	2013-10	PURCHASE	2014-12		491	587			-96	
15 SHARES OF SPDR S & P METALS & MIN	2013-08	PURCHASE	2014-12		457	550			-93	
2 SHARES OF SPDR S & P METALS & MINI	2013-10	PURCHASE	2014-12		61	78			-17	

TY 2014 Investments Corporate Stock Schedule

Name: JOHN & LEE ELLA MCDONALD SCHOLARSHIP FUND TRUST

EIN: 71-6182849

Name of Stock	End of Year Book Value	End of Year Fair Market Value
ISHARES MSCI EMERGING MKT		
ISHARES MSCI EAFE INDEX FUND		
SELECT SECTOR SPDR ENERGY		
SELECT SECTOR SPDR TECHNOLOGY	2,269	3,308
MARKET VECTORS GOLD MINERS ETF	543	331
SELECT SECTOR SPDR FINANCIAL	2,554	3,165
VANGUARD SMALL CAP ETF	1,841	1,867
ISHARES S&P 100 ETF		
ISHARES TR CORE S&P SMALL-CAP		
SPDR S&P 500 ETF		
SPDR S&P METALS & MINING		
SPDR S&P HOMEBUILDERS		
SPDR S&P MIDCAP 400		
SELECT SECTOR SPDR FINANCIAL		
VANGUARD FTSE EMERGING MKTS	929	760
VANGUARD FTSE EUROPE		
VANGUARD REIT ETF	645	729
VANGUARD MID-CAP ETF	2,961	3,213
VANGUARD LARGE-CAP ETF	17,742	19,539
WISDOMTREE EQUITY INCOME FD	13,777	14,594
WISDOMTREE JAPAN HEDGED EQUITY	1,349	1,329
WISDOMTREE EUROPE HEDGED EQUITY FD	2,334	2,280
COLUMBIA ACORN INTL	1,073	982
GOLDMAN SACHS N-11 EQUITY	309	316
VANGUARD DEVELOPED MARKETS INDEX INS	3,238	2,989

TY 2014 Investments - Other Schedule

Name: JOHN & LEE ELLA MCDONALD SCHOLARSHIP FUND TRUST

EIN: 71-6182849

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
FEDERATED INST HIGH YIELD BOND FD	AT COST	10,326	9,876
FEDERATED KAUFMANN FUND	AT COST		
FEDERATED TOTAL RETURN GOV BD	AT COST	35,843	37,543
FIDELITY INTERMEDIATE BOND FD	AT COST	10,023	10,667
ISHARES IBOXX HIGH YIELD CORP BD	AT COST		
PIMCO SHORT TERM INSTITUTIONAL	AT COST	32,192	31,669
GOLDMAN SACHS STRAT INC-INST	AT COST	13,699	13,347
ISHARES 1-3 YEAR TREASURY BOND	AT COST		
COLUMBIA ACORN INTL	AT COST		
GOLDMAN SACHS N-11 EQUITY	AT COST		
VANGUARD DEVELOPED MKTS	AT COST		
FEDERATED STRATEGIC INC	AT COST		
FEDERATED TOTAL RETURN BD	AT COST		
PIMCO SENIOR FLOATING RATE FUND	AT COST		
T ROWE PRICE EMERGING MKTS	AT COST		
PIMCO FOREIGN BOND FD	AT COST	7,699	7,250
PIMCO SENIOR FLOATING RATE FUND	AT COST	2,842	2,733
T ROWE PRICE EMERGING MARKETS	AT COST	9,647	9,331
TEMPLETON GLOBAL BOND FD	AT COST	7,565	7,110

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TY 2014 Other Assets Schedule

Name: JOHN & LEE ELLA MCDONALD SCHOLARSHIP FUND TRUST

EIN: 71-6182849

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
DIVIDENDS RECEIVABLE	159	27	27

TY 2014 Other Increases Schedule

Name: JOHN & LEE ELLA MCDONALD
SCHOLARSHIP FUND TRUST

EIN: 71-6182849

Description	Amount
NONDIVIDEND DISTRIBUTIONS	14
ROUNDING	-2

TY 2014 Taxes Schedule

Name: JOHN & LEE ELLA MCDONALD
SCHOLARSHIP FUND TRUST

EIN: 71-6182849

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
CURRENT YEAR TAX	85	49		36
FOREIGN TAXES	22	13		9