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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

OMB No 1545-0052

2014

Open to Public Inspection

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

For calendar year 2014 or tax year beginning

, and ending

Name of foundation

ARTHUR L FUNK AND JOAN A FUNK CHARITABLE FOUNDATION

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

7056 E MAIN STREET

Room/suite

City or town

SCOTTSDALE

State

AZ

ZIP code

85251

Foreign country name

Foreign province/state/county

Foreign postal code

A Employer identification number

74-2587362

B Telephone number (see instructions)

602-300-0834

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) ☐ \$ 790,839
 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)

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received (attach schedule)				
2	Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
3	Interest on savings and temporary cash investments	2	2		
4	Dividends and interest from securities	21,432	21,432		
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	22,141			
b	Gross sales price for all assets on line 6a	71,091			
7	Capital gain net income (from Part IV, line 2)		22,141		
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	43,575	43,575	0	
13	Compensation of officers, directors, trustees, etc.	9,000			
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule)				
b	Accounting fees (attach schedule)	8,500	4,500		4,000
c	Other professional fees (attach schedule)	6,218	6,218		
17	Interest				
18	Taxes (attach schedule) (see instructions)	560	176		
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule)	39	39		
24	Total operating and administrative expenses. Add lines 13 through 23	24,317	10,933	0	4,000
25	Contributions, gifts, grants paid	41,500			41,500
26	Total expenses and disbursements. Add lines 24 and 25	65,817	10,933	0	45,500
27	Subtract line 26 from line 12				
a	Excess of revenue over expenses and disbursements	-22,242			
b	Net investment income (if negative, enter -0-)		32,642		
c	Adjusted net income (if negative, enter -0-)			0	

For Paperwork Reduction Act Notice, see instructions.

HTA

Form 990-PF (2014)

90-14

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SCANNED MAY 26 2015 Revenue

Operating and Administrative Expenses

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	5,664	3,259	
	2 Savings and temporary cash investments	2,178	23,815	
	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)	591,590	570,116	770,762
	c Investments—corporate bonds (attach schedule)	19,958	19,958	20,077
	Liabilities	11 Investments—land, buildings, and equipment basis ▶		
Less accumulated depreciation (attach schedule) ▶				
12 Investments—mortgage loans				
13 Investments—other (attach schedule)				
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)		619,390	617,148	790,839
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	0		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds	639,390	617,148	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
30 Total net assets or fund balances (see instructions)	639,390	617,148		
31 Total liabilities and net assets/fund balances (see instructions)	639,390	617,148		

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	639,390
2 Enter amount from Part I, line 27a	2	-22,242
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	617,148
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	617,148

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	See Attached Statement			
b	See Attached Statement			
c	See Attached Statement			
d	See Attached Statement			
e	See Attached Statement			

(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			0
b			0
c			0
d			0
e			0

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

(i) FMV 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			0
b			0
c			0
d			0
e			0

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	22,141
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	355

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?
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.☒ Yes ☐ No

(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	43,000	822,192	0.052299
2012	44,000	794,346	0.055391
2011	24,000	824,931	0.029093
2010	47,000	798,861	0.058834
2009	47,200	715,303	0.065986

2 Total of line 1, column (d)	2	0.261603
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	0.052321
4 Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	
5 Multiply line 4 by line 3	5	
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	0
7 Add lines 5 and 6	7	0
8 Enter qualifying distributions from Part XII, line 4 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	8	0

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 <input type="checkbox"/> 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 <input type="checkbox"/> and enter 1% of Part I, line 27b	1	653
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	0
3	Add lines 1 and 2	3	653
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	653
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 <input type="checkbox"/> if Form 2220 is attached	8	9
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	662
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0
11	Enter the amount of line 10 to be Credited to 2015 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	0

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities</i>		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? <i>If "Yes," attach a conformed copy of the changes</i>		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>		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?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> AZ		
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 <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	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)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		X

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		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? Website address ► NONE	13	X	
14	The books are in care of ► JAMES D TROW CPA Telephone no ► (602) 300-0834 Located at ► 15830 N 60TH ST SCOTTSDALE AZ ZIP+4 ► 85254			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the year ► 15			
16	At any time during calendar year 2014, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See 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 ►	16	Yes	No X

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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>	1b	N/A
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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	N/A
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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	N/A
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2014?	4b	X

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

5a During the year did the foundation pay or incur any amount to				
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
(3) Provide a grant to an individual for travel, study, or other similar purposes?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions)		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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 N/A
Organizations relying on a current notice regarding disaster assistance check here		▶ <input type="checkbox"/>		
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?		<input type="checkbox"/> Yes	<input type="checkbox"/> 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?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?				7b N/A

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
SYDNEY J KINSELLA 910 CORNISH DR SAN DIEGO, CA 92107	PRES & DIR 2 00	3,750		
JOSEPH WORISCHECK 7056 E MAIN ST SCOTTSDALE, AZ 85251	SEC & DIR 00	0		
JAMES D TROW CPA 15830 N 60TH ST SCOTTSDALE, AZ 85254	TREAS & DIR 2 00	3,000		
BRADLEY KINSELLA 910 CORNISH DR SAN DIEGO, CA 92107	VP & DIR 2 00	2,250		

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 NONE - THE FOUNDATION IS ENGAGED ONLY IN MAKING GRANTS TO OTHER EXEMPT ORGANIZATIONS

2

3

4

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

Amount

1

2

All other program-related investments See instructions

3

Total. Add lines 1 through 3



0

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	805,938
b	Average of monthly cash balances	1b	30,553
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	836,491
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	836,491
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	12,547
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	823,944
6	Minimum investment return. Enter 5% of line 5	6	41,197

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	41,197
2a	Tax on investment income for 2014 from Part VI, line 5	2a	653
b	Income tax for 2014 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	653
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	40,544
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	40,544
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	40,544

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	45,500
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	45,500
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	45,500

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				40,544
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only			0	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2014				
a From 2009	12,101			
b From 2010	7,245			
c From 2011				
d From 2012	4,494			
e From 2013	2,274			
f Total of lines 3a through e	26,114			
4 Qualifying distributions for 2014 from Part XII, line 4 \blacktriangleright \$ 45,500				
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				40,544
e Remaining amount distributed out of corpus	4,956			
5 Excess distributions carryover applied to 2014 (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	31,070			
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				
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			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)				
8 Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions)	12,101			
9 Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a	18,969			
10 Analysis of line 9				
a Excess from 2010	7,245			
b Excess from 2011				
c Excess from 2012	4,494			
d Excess from 2013	2,274			
e Excess from 2014	4,956			

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)**N/A****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 foundation is a private operating foundation described in section☐ 4942(j)(3) or ☐ 4942(j)(5)**2a** Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

Tax year	Prior 3 years			(e) Total
(a) 2014	(b) 2013	(c) 2012	(d) 2011	
				0
b 85% of line 2a				0
c Qualifying distributions from Part XII, line 4 for each year listed				0
d Amounts included in line 2c not used directly for active conduct of exempt activities				0
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c				0
3 Complete 3a, b, or c for the alternative test relied upon				
a "Assets" alternative test—enter				
(1) Value of all assets				0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)				0
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed				0
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)				0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)				0
(3) Largest amount of support from an exempt organization				0
(4) Gross investment income				0

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**b** The form in which applications should be submitted and information and materials they should include**c** Any submission deadlines**d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a <i>Paid during the year</i>				
DRESS FOR SUCCESS 1122 BROADWAY,SUITE 200 SAN DIEGO, CA 92101	NONE	PC	GENERAL SUPPORT	500
GREATER LA JOLLA MEALS ON WHEELS 9888 GENESEE AVENUE LA JOLLA, CA 92037	NONE	PC	GENERAL SUPPORT	2,000
LAS PATRONAS PO BOX 1888 LA JOLLA, CA 92038	NONE	PC	GENERAL SUPPORT	5,500
FRIENDS OF VISTA HILL 8910 CLAREMONT MESA BLVD SAN DIEGO, CA 92123	NONE	PC	GENERAL SUPPORT	5,000
PHOENIX CHILDREN'S HOSPITAL FOUNDATION 2929 E CAMELBACK RD PHOENIX, AZ 85016	NONE	PC	GENERAL SUPPORT	1,500
RADY CHILDREN'S HOSPITAL FOUNDATION 3020 CHILDREN'S WAY SAN DIEGO, CA 92123	NONE	PC	PECKAM CTR	10,000
SCRIPPS HEALTH FOUNDATION PO BOX 2669 LA JOLLA, CA 92038	NONE	PC	POLSTER BREAST CARE	3,500
UCSAN DIEGO FOUNDATION 9500 GILMAN DRIVE LA JOLLA, CA 92093	NONE	PC	SEA TURTLE PROJECT	10,000
UNIVERSITY OF ARIZONA FOUNDATION 1111 N CHERRY AVE TUCSON, AZ 85721	NONE	PC	SCHOLARSHIP GRAD SCH OF BUS	3,500
Total			3a	41,500
b <i>Approved for future payment</i>				
Total			3b	0

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

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			14	2	
4	Dividends and interest from securities			14	21,432	
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	22,141	
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		43,575	0
13	Total. Add line 12, columns (b), (d), and (e)				13	43,575

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

Part I, Line 6 (990-PF) - Gain/Loss from Sale of Assets Other Than Inventory

Check "X" to include in Part IV	Description	CUSIP #	Purchaser	Check "X" if Purchaser is a Business	Date Acquired	Acquisition Method	Date Sold	Totals							
								Gross Sales Price	Cost or Other Basis	Valuation Method	Cost, Other Basis and Expenses		Net Gain or Loss		
											Expense of Sale and Cost of Improvements	Depreciation		Adjustments	
1	X	ABB LTD 800 SHS			VAR	P	8/6/2014	18,081	13,676					4,405	
2	X	ABERDEEN ASIA PAC 2000 SH			11/4/2013	P	12/12/2014	10,971	12,745					-1,774	
3	X	GENERAL MOTORS 5 SH			12/20/2013	P	6/10/2014	174	0					174	
4	X	GEN MOTORS CLA 16W 90			VAR	P	6/10/2014	2,403	13					2,390	
5	X	GEN MOTORS CLA 16W 4			12/20/2013	P	6/10/2014	107	0					107	
6	X	GEN MOTORS CLB 19W 90			VAR	P	6/10/2014	1,670	9					1,661	
7	X	GEN MOTORS CLBW 4			12/20/2013	P	6/10/2014	74	0					74	
8	X	HALLIBURTON CO 100 SH			3/26/2007	P	8/26/2014	6,981	3,170					3,811	
9	X	ISHARES BARCLAYS 1-3YR B			8/31/2010	P	3/28/2014	8,431	8,433					-2	
10	X	JOHNSON & JOHNSON 100 SH			11/25/2003	P	2/25/2014	9,086	5,146					3,940	
11	X	JOHNSON & JOHNSON 100 SH			11/25/2003	P	8/26/2014	10,329	5,147					5,182	
12	X	KNOWLES CORP 50 SH			3/20/2012	P	6/6/2014	1,479	228					1,251	
13	X	MOTORS LIQ CO GUC TRU 25			6/12/2012	P	6/10/2014	643	0					643	
14	X	VERITIV CORP 15 SH			7/11/2000	P	9/24/2014	662	383					279	
Long Term CG Distributions								Capital Gains/Losses		Gross Sales		Cost, Other Basis and Expenses		Net Gain or Loss	
Short Term CG Distributions								Other sales		0		48,950		22,141	
										71,091					
										0		0		0	

Part I, Line 16a (990-PF) - Legal Fees

		0	0	0	0
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
1	Joseph Worscheck				

Part I, Line 16b (990-PF) - Accounting Fees

		8,500	4,500	0	4,000
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
1	JAMES D. TROW CPA	8,500	4,500		4,000

Part I, Line 16c (990-PF) - Other Professional Fees

		6,218	6,218	0	0
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
1	AMERICAN ASSET MANAGEMENT	6,218	6,218		

Part I, Line 18 (990-PF) - Taxes

		560	176	0	0
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1	FOREIGN TAXES	176	176		
2	TAXES ON INVESTMENT INCOME	384			

Part I, Line 23 (990-PF) - Other Expenses

		39	39	0	0
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1	BANK SERVICE CHARGES	39	39		

Part II, Line 10b (990-PF) - Investments - Corporate Stock

Description		Num Shares/ Face Value	591,590		570,116		773,911		770,762	
			Book Value Beg of Year	Book Value End of Year	FMV Beg of Year	FMV End of Year				
1	AMERICAN STATES WATER	600	9,839	9,839	17,238	22,596				
2	AQUA AMERICA INC	300	4,901	6,084	5,898	8,010				
3	AT&T INC	400	13,908	13,908	14,064	13,436				
4	BHP BILLITON LTD	200	13,673	13,673	13,640	9,464				
5	NEXTERA ENERGY INC	200	11,450	11,450	17,124	21,258				
6	ABB LTD ADR	400	7,236	0	10,624	0				
7	CANADIAN NATIONAL RAILWAY CO	400	8,020	8,020	22,808	27,564				
8	CHEVRON CORP	200	7,117	7,117	24,982	22,436				
9	CHINA MOBILE LTD ADR	100	7,284	7,284	10,458	11,764				
10	COCA COLA COMPANY	400	11,995	11,995	16,524	16,888				
11	COLGATE PALMOLIVE CO	600	15,993	15,993	39,126	41,514				
12	CONOCOPHILLIPS	300	20,199	20,199	32,765	31,473				
13	CONSOLIDATED EDISON INC	300	14,653	14,653	16,584	19,803				
14	DU PONT EI DE NEMOUR & CO	600	29,231	29,231	38,982	44,364				
15	EXXON MOBIL CORPORATION	200	16,256	16,256	20,240	18,490				
16	GOLDCORP NEW	300	11,769	11,769	6,501	5,556				
17	HALLIBURTON CO	500	19,019	15,849	30,450	19,665				
18	INTERNATIONAL PAPER CO	800	27,574	27,574	39,224	42,864				
19	JOHNSON & JOHNSON	300	26,344	16,051	45,795	31,371				
20	MICROSOFT CORP	400	10,760	10,760	14,964	18,580				
21	NATIONAL FUEL GAS CO	200	8,804	8,804	14,280	13,906				
22	NEWMONT MINING CORP	200	11,317	11,317	4,606	3,780				
23	PIEDMONT NATURAL GAS CO	400	6,463	6,463	13,264	15,764				
24	THE SOUTHERN CO	200	6,336	6,336	8,222	9,822				
25	BRE PROPERTIES INC MD	200	4,451	0	10,942	0				
26	ISHARES TR BARCLAYS BOND	1,100	101,195	92,762	101,256	92,895				
27	ISHARES TR BARCLAYS TIPS	500	55,815	55,815	54,950	56,005				
28	POWERSHARES EXCH TRAD FD TR	200	4,514	4,514	5,244	5,150				
29	ABB LTD ADR	400	7,076	0	10,624	0				
30	BECKTON DICKINSON & CO	100	7,736	7,736	11,049	13,916				
31	DOVER CORPORATION	100	6,363	6,363	9,654	7,172				
32	GENUINE PARTS CO	100	6,367	6,367	8,319	10,657				
33	GENERAL MOTORS CLA 16WT	94	0	0	2,927	0				
34	GENERAL MOTORS CLB 19WT	94	0	0	2,173	0				
35	REALTY INCOME CORP	400	16,521	16,521	14,932	19,084				
36	ABERDEEN ASIA PAC INCM	2,000	12,768	0	11,520	0				
37	CATERPILLAR INC	200	16,754	16,754	18,162	18,306				
38	GENERAL ELECTRIC COMPANY	400	10,541	10,541	11,212	10,108				
39	GENERAL MOTORS CO	5	0	0	204	0				
40	QUALCOMM INC	200	13,898	13,898	14,850	14,866				
41	UNITEDHEALTH GROUP INC	100	7,450	7,450	7,530	10,109				
42	HEALTHCARE SPDR ETF	100	0	7,085	0	6,838				
43	BB&T CORP 200 PFD	200	0	4,407	0	4,838				
44	PNC FIN SVCS PFD 200	200	0	4,289	0	4,782				
45	PRUDENTIAL FINANCIAL 200 PFD	200	0	4,633	0	5,008				
46	ESSEX PROPERTY TRUST INC	100	0	10,356	0	20,660				

Part II, Line 10c (990-PF) - Investments - Corporate Bonds

		19,958		19,958		19,790		20,077	
		Interest Rate	Maturity Date	Book Value Beg. of Year	Book Value End of Year	FMV Beg. of Year	FMV End of Year		
1	STARBUCKS CORP 2% 18	2.00%	12/5/2018	9,970	9,970	9,923	10,094		
2	WELLPOINT INC 1.875% 18	1.88%	1/15/2018	9,988	9,988	9,867	9,983		

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Part VIII, Line 1 (990-PF) - Compensation of Officers, Directors, Trustees and Foundation Managers

		Check "X" if Business	Street	City	State	Zip Code	Foreign Country	Title	Avg Hrs Per Week	Compensation	Benefits	Expense Account
			910 CORNISH DR	SAN DIEGO	CA	92107		PRES & DIR	2 00	3,750		
1	SYDNEY J KINSELLA											
2	JOSEPH WORISCHECK		7066 E MAIN ST	SCOTTSDALE	AZ	85251		SEC & DIR	0 00	0		
3	JAMES D TROW CPA		15830 N 60TH ST	SCOTTSDALE	AZ	85254		TREAS & DIR	2 00	3,000		
4	BRADLEY KINSELLA		910 CORNISH DR	SAN DIEGO	CA	92107		VP & DIR	2 00	2,250		

ARTHUR L. FUNK AND JOAN A. FUNK CHARITABLE FOUNDATION

PART X - MINIMUM INVESTMENT RETURN

FAIR VALUE BY MONTH

DESCRIPTION	2013 DEC	2014 JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVE
Line 1a - Average monthly fair market value of securities:														
C Schwab														
Equities	\$ 582,290	\$ 560,750	\$ 575,349	\$ 594,265	\$ 619,866	\$ 613,455	\$ 630,004	\$ 609,162	\$ 592,555	\$ 575,603	\$ 584,599	\$ 579,266	\$ 565,122	\$ 590,945
Fixed Income	19,789	20,017	20,053	19,896	20,076	20,160	20,160	20,048	20,111	20,063	20,050	20,110	20,077	20,047
Bond Funds														
Other	192,424	195,066	197,571	200,320	191,393	192,912	189,672	188,731	190,187	193,043	198,486	198,853	205,640	194,946
	794,503	775,833	792,973	814,481	831,335	826,527	839,836	817,941	802,853	788,709	803,135	798,229	790,839	805,938
Line 1b - Average of monthly cash balances:														
Wells Fargo Bank A/C Checking	5,664	4,764	1,114	10,264	9,864	4,713	3,635	13,256	1,988	949	1,031	24,809	13,259	7,332
Wells Fargo Bank A/C Savings	2,545	2,695	845	195	345	345	645	795	795	1,095	245	245	545	872
Chas Schwab cash & money funds	19,634	18,721	18,497	19,896	8,377	9,819	19,757	9,340	45,632	41,017	40,430	16,157	23,270	22,350
Total cash	27,843	26,180	20,456	30,355	18,586	14,877	24,037	23,391	48,415	43,061	41,706	41,211	37,074	30,553