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EXTENDED TO NOVEMBER 16, 2015

Return of Private Foundation

OMB No 1545-0052

Form 990-PF

Department of the Treasury
Internal Revenue Service

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.

2014

Open to Public Inspection

For calendar year 2014 or tax year beginning

, and ending

Name of foundation

A Employer identification number

FARRELL FAMILY FOUNDATION

91-2167530

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

Room/suite

P.O. BOX 205

B Telephone number

310-414-9358

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

KENTFIELD, CA 94914-0205

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 changeD 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 foundationE If private foundation status was terminated under section 507(b)(1)(A), check here ☐F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year

J Accounting method ☒ Cash ☐ Accrual

(from Part II, col. (c), line 16)

☐ Other (specify)

\$ 11,232,845. (Part I, column (d) must be on cash basis)

Part I Analysis of Revenue and Expenses

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))

(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

3,569,882.

N/A

2 Check ☐ if the foundation is not required to attach Sch. B

3 Interest on savings and temporary cash investments

117.

117.

STATEMENT 2

4 Dividends and interest from securities

139,186.

139,186.

STATEMENT 3

5a Gross rents

b Net rental income or (loss)

6a Net gain or (loss) from sale of assets not on line 10

504,063.

STATEMENT 1

b Gross sales price for all assets on line 6a 9,155,395.

7 Capital gain net income (from Part IV, line 2)

4,062,251.

8 Net short-term capital gain

9 Income modifications

10a Gross sales less returns and allowances

RECEIVED

b Less Cost of goods sold

c Gross profit or (loss)

11 Other income

SEP 09 2015

12 Total. Add lines 1 through 11

4,213,248.

4,201,554.

13 Compensation of officers, directors, trustees, etc.

5,500.

2,750.

2,750.

14 Other employee salaries and wages

15 Pension plans, employee benefits

16a Legal fees

b Accounting fees

STMT 4

13,550.

13,550.

0.

c Other professional fees

STMT 5

57,000.

28,500.

28,500.

17 Interest

18 Taxes

STMT 6

101,390.

101,390.

0.

19 Depreciation and depletion

20 Occupancy

21 Travel, conferences, and meetings

22 Printing and publications

23 Other expenses

STMT 7

86,993.

86,993.

0.

24 Total operating and administrative

expenses. Add lines 13 through 23

264,433.

233,183.

31,250.

25 Contributions, gifts, grants paid

1,165,212.

1,165,212.

26 Total expenses and disbursements.

Add lines 24 and 25

1,429,645.

233,183.

1,196,462.

27 Subtract line 26 from line 12

2,783,603.

a Excess of revenue over expenses and disbursements

b Net investment income (if negative, enter -0-)

3,968,371.

c Adjusted net income (if negative, enter -0-)

N/A

423501
11-24-14

LHA For Paperwork Reduction Act Notice, see instructions.

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Form 990-PF (2014)

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2014.03010 FARRELL FAMILY FOUNDATION

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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			18,540.		
	2 Savings and temporary cash investments			162,045.	503,511.	503,511.
	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 8		6,985,157.	10,494,762.	10,729,334.
	c Investments - corporate bonds					
	11 Investments - land, buildings, and equipment basis ▶					
Less accumulated depreciation ▶						
12 Investments - mortgage loans						
13 Investments - other			282,925.			
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.)			7,448,667.	10,998,273.	11,232,845.	
Liabilities	17 Accounts payable and accrued expenses					
	18 Grants payable					
	19 Deferred revenue					
	20 Loans from officers, directors, trustees, and other disqualified persons					
	21 Mortgages and other notes payable					
	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 ▶ ☐					
	24 Unrestricted					
	25 Temporarily restricted					
	26 Permanently restricted					
	Foundations that do not follow SFAS 117, check here ▶ ☒					
	27 Capital stock, trust principal, or current funds			1,514,874.	1,514,874.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds			5,933,793.	9,483,399.	
30 Total net assets or fund balances			7,448,667.	10,998,273.		
31 Total liabilities and net assets/fund balances			7,448,667.	10,998,273.		

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	7,448,667.
2 Enter amount from Part I, line 27a	2	2,783,603.
3 Other increases not included in line 2 (itemize) ▶ COST BASIS ADJUSTMENT	3	766,003.
4 Add lines 1, 2, and 3	4	10,998,273.
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	10,998,273.

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 MERRILL LYNCH - 04086	P		
b MERRILL LYNCH - 04086	P		
c 64966 SHARES RESMED, INC	P		
d CAPITAL GAINS DIVIDENDS			
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 3,415,394.		3,333,751.	81,643.
b 2,029,923.		1,747,699.	282,224.
c 3,627,143.		11,694.	3,615,449.
d 82,935.			82,935.
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(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	
a			81,643.
b			282,224.
c			3,615,449.
d			82,935.
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	4,062,251.
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	N/A

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	1,137,140.	6,409,016.	.177428
2012	1,335,115.	3,982,975.	.335205
2011	1,253,193.	3,848,996.	.325590
2010	1,302,811.	3,597,479.	.362146
2009	1,152,931.	2,240,331.	.514625

2 Total of line 1, column (d)	2	1.714994
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	.342999
4 Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	9,837,510.
5 Multiply line 4 by line 3	5	3,374,256.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	39,684.
7 Add lines 5 and 6	7	3,413,940.
8 Enter qualifying distributions from Part XII, line 4	8	1,196,462.

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)	1	79,367.
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)		
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	79,367.
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	79,367.
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 ☐ if Form 2220 is attached	8	1,781.
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	81,148.
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?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? 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.		X
1c 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 ☐ \$ 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.		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		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?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		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? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ <u>CA</u>		
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	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		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

Form 990-PF (2014)

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 ► <u>WWW.FARRELLFAMILYFOUNDATION.COM</u>	13	X	
14	The books are in care of ► <u>KRISTI BURLINGAME</u> Telephone no ► <u>310-414-9358</u> Located at ► <u>C/O LSPOSTER, 3790 VIA DE LA VALLE #207, DEL MAR, CA 92014</u>			
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	
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 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? (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? (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)? (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 ☐ Yes ☒ No ☐ Yes ☒ No ☐ Yes ☒ No ☐ Yes ☒ No ☐ Yes ☒ No	
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A	1b
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2014?		1c
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? If "Yes," list the years ►	☐ Yes ☒ No	
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions)	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.)	N/A	3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a
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

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)?

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
PETER C. FARRELL	DIRECTOR			
P. O. BOX 205				
KENTFIELD, CA 94914	0.00	0.	0.	0.
PAUL A. FARRELL	DIRECTOR			
P. O. BOX 205				
KENTFIELD, CA 94914	1.00	2,000.	0.	0.
CATHERINE A. SERTORI	DIRECTOR			
P. O. BOX 205				
KENTFIELD, CA 94914	1.00	2,000.	0.	0.
MICHAEL J. FARRELL	DIRECTOR			
P. O. BOX 205				
KENTFIELD, CA 94914	1.00	1,500.	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

Form 990-PF (2014)

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 N/A	
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.

Form 990-PF (2014)

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	9,987,320.
b	Average of monthly cash balances	1b	
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	9,987,320.
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	9,987,320.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	149,810.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	9,837,510.
6	Minimum investment return. Enter 5% of line 5	6	491,876.

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	491,876.
2a	Tax on investment income for 2014 from Part VI, line 5	2a	79,367.
b	Income tax for 2014 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	79,367.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	412,509.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	412,509.
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	412,509.

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	1,196,462.
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	1,196,462.
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	1,196,462.

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.

Form 990-PF (2014)

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				412,509.
2 Undistributed income, if any, as of the end of 2014			0.	
a Enter amount for 2013 only			0.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2014				
a From 2009	1,040,928.			
b From 2010	1,173,079.			
c From 2011	1,064,963.			
d From 2012	1,172,053.			
e From 2013	912,893.			
f Total of lines 3a through e	5,363,916.			
4 Qualifying distributions for 2014 from Part XII, line 4 ▶ \$ 1,196,462.			0.	
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				412,509.
e Remaining amount distributed out of corpus	783,953.			
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:	6,147,869.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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	1,040,928.			
9 Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a	5,106,941.			
10 Analysis of line 9				
a Excess from 2010	1,173,079.			
b Excess from 2011	1,064,963.			
c Excess from 2012	1,172,053.			
d Excess from 2013	912,893.			
e Excess from 2014	783,953.			

N/A

- foundation, and the ruling is effective for 2014, enter the date of the ruling

- ☐ 4942(i)(3) or ☐ 4942(i)(5)

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.)

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

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.

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

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
SEE SCHEDULE ATTACHED			GENERAL	1,165,212.
Total			▶ 3a	1,165,212.
b Approved for future payment				
NONE				
Total			▶ 3b	0.

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. | | |

[illegible]

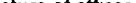
- 2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

- 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

Date _____

CHIEF FINANCIAL
OFFICER

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

☒ Yes ☐ No

**Paid
Preparer
Use Only**

Print/Type preparer's name
LAWRENCE S. POSTER,
CPA

Preparer's signature 

Date
8.15.18

Check ☒ self-employed

PTIN

P01257564

Firm's name ▶ LAWRENCE S. POSTER, CPA

Firm's EIN ▶

Firm's address ► 3790 VIA DE LA VALLE, #207
DEL MAR, CA 92014

Phone no 858-794-0600

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

► Attach to Form 990, Form 990-EZ, or Form 990-PF.
► Information about Schedule B (Form 990, 990-EZ, or 990-PF) and
its instructions is at www.irs.gov/form990

OMB No. 1545-0047

2014

Name of the organization

Employer identification number

FARRELL FAMILY FOUNDATION

91-2167530

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- ☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ► \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2014)

Name of organization

Employer identification number

FARRELL FAMILY FOUNDATION

91-2167530

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	PETER FARRELL 7220 ROMERO DRIVE LA JOLLA, CA 92037	\$ 3,569,882.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II for noncash contributions.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)

Employer identification number

91-2167530

Part II

[illegible]

Name of organization

Employer identification number

FARRELL FAMILY FOUNDATION

91-2167530

Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year (Enter this info once) ▶ \$

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

FORM 990-PF GAIN OR (LOSS) FROM SALE OF ASSETS STATEMENT 1

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
MERRILL LYNCH - 04086					
	3,415,394.	3,333,751.	0.	0.	81,643.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
MERRILL LYNCH - 04086					
	2,029,923.	1,747,699.	0.	0.	282,224.

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
64966 SHARES RESMED, INC					
	3,627,143.	3,569,882.	0.	0.	57,261.

CAPITAL GAINS DIVIDENDS FROM PART IV	82,935.
TOTAL TO FORM 990-PF, PART I, LINE 6A	504,063.

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 2

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
MERRILL LYNCH	117.	117.	
TOTAL TO PART I, LINE 3	117.	117.	

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 3

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
MERRILL LYNCH	222,121.	82,935.	139,186.	139,186.	
TO PART I, LINE 4	222,121.	82,935.	139,186.	139,186.	

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	13,550.	13,550.		0.
TO FORM 990-PF, PG 1, LN 16B	13,550.	13,550.		0.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
CONSULTING FEES	57,000.	28,500.		28,500.
TO FORM 990-PF, PG 1, LN 16C	57,000.	28,500.		28,500.

FORM 990-PF	TAXES		STATEMENT	6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES WITHHELD	3,064.	3,064.		0.
FEDERAL TAXES	98,316.	98,316.		0.
STATE TAXES	10.	10.		0.
TO FORM 990-PF, PG 1, LN 18	101,390.	101,390.		0.

FORM 990-PF	OTHER EXPENSES		STATEMENT	7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
COMPUTER COSTS	233.	233.		0.
OTHER	5,812.	5,812.		0.
OFFICE EXPENSES	513.	513.		0.
INVESTMENT MANAGEMENT	80,435.	80,435.		0.
TO FORM 990-PF, PG 1, LN 23	86,993.	86,993.		0.

FORM 990-PF	CORPORATE STOCK		STATEMENT	8
DESCRIPTION			BOOK VALUE	FAIR MARKET VALUE
MUTUAL FUNDS			10,494,762.	10,729,334.
TOTAL TO FORM 990-PF, PART II, LINE 10B			10,494,762.	10,729,334.

A Reason To Survive	10,000 00
Advance Charitable And Edu Fund	10,000 00
AEI	10,000 00
American Heart Association	5,000 00
Amigos de Las Americas	1,000 00
ARCS Foundation	7,500 00
Australian Academy of Tech	4,162 59
Bach Collegium San Diego	10,500 00
Big Brothers Big Sisters San Diego	66,250 00
Bioethics Art	5,000 00
Blinded Veterans	250
Boston College	500
Boys and Girls Club San Diego	5,000 00
BSA-SD Imperial Council	3,000 00
Burn Institute	5,000 00
Business Today	6,000 00
CA Patron Of The Arts	8,000 00
Capital Research Center	1,000 00
Casa Cornelia Legal Services	10,000 00
Cato Institute	30,000 00
Center For Independent Studies	2,421 68
Cfact.org	3,500 00
Challenged Athletes	500
Children Lifeline	10,500 00
Citizens United Foundation	200
Community Resources Center	10,000 00
Competitive Enterprise	2,500 00
David Horowitz Freedom Center	500
Doctors Without Borders	1,000 00
Elder Help	15,000 00
Family Health Center	10,000 00
Fogarty Institute For Innovation	10,000 00
Foster Parents Association	2,000 00
Friedman Foundation	5,000 00
Friends of the Poor	1,000 00
Friends of Vista Hill	20,000 00
Foundation for Education	5,000 00
Girl Scouts Of San Diego	1,000 00
Goldwater Institute	1,000 00
Happiness For The Children Of Kenya	5,000 00
Hillsdale College	1,000 00
Institute for Justice	2,500 00
International Rescue Comm	2,000 00
IPA	2,129 95
Jackie Robinson YMCA	10,000 00
Judicial Watch	250
Junior Achievement	52,375 00

Just Giving.com	1,000 00
Just In Time Youth Program	20,000 00
Just Like my Child	10,000 00
Kids Korp USA	500
Kootenai Humane Society	2,500 00
Kyoto Prize Symposium	10,000 00
La Jolla Playhouse	29,600 00
La Jolla Town Council	2,000 00
La Jolla Youth Soccer League	600
Las Patronas	15,000 00
Liberty Institute	500
Lucy Burns Institute	5,000 00
Mama's Kitchen	10,000 00
MCASD	19,720 53
Mending Kids	2,500 00
MIT	31,500 00
MOPA	4,800 00
National Academies	20,000 00
National Center for Public Policy Research	2,500 00
Nativity Prep Academy	5,000 00
Network for Good	1,015 00
New Children's Museum	27,500 00
NSW Family Foundation	2,500 00
Ocean Discovery Institute	25,000 00
Our Lady's School	12,120 00
Pacific Research Institute	11,000 00
Pedal the Cause	600
Peers Network Inc.	8,800 00
Project Concern	10,000 00
Rady's Hospital	22,500 00
Reality Changers	19,500 00
Reason Foundation	5,000 00
Reuben H Fleet Science Center	10,000 00
Ronald McDonald House	27,500 00
Ronald Reagan Presidential Foundation	1,000 00
Sacred Heart School	5,000 00
Salk Institute	35,000 00
Salvation Army	9,000 00
San Diego Center For Children	2,500 00
San Diego Symphony	52,200 00
San Diego Youth Services	7,500 00
Sanford Burnham	5,000 00
Scripps Foundation	6,000 00
SD Museum Of Art	15,000 00
Second Chance	10,000 00
Senior Community Centers	2,500 00
St. Katherine College	2,500 00

St. Michael's Foundation	1,000 00
St. Vincent DePaul Village	10,000 00
Students For Liberty	3,500 00
Sudan Relief Fund	1,000 00
Sydney Opera House	4,717 53
Teach For America	15,000 00
The Beeve Foundation	20,000 00
The Center for Neighborhood Enterprise	2,500 00
The Chest Foundation	1,500 00
The Heritage Foundation	12,500 00
The Independent Institute	1,000 00
The Marist Brothers	1,000 00
The Salvation Army	15,000 00
UCSD Foundation	25,500 00
UCSD Foundation SOS Eye Mobile	25,000 00
University Of Washington	5,000 00
USO Donations	39,000 00
Veterans 360	26,000 00
Voices For Children	25,000 00
Wikimedia	1500
Youth Tennis San Diego	1,000 00
Zoological Society Of SD	25,000 00
TOTAL	<u>1,165,212.28</u>

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only Part II and check this box ☒ **X**

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension**, complete only Part I (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

		Enter filer's identifying number, see instructions
Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions.	Employer identification number (EIN) or
	FARRELL FAMILY FOUNDATION	91-2167530
	Number, street, and room or suite no. If a P.O. box, see instructions.	Social security number (SSN)
	P.O. BOX 205	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	KENTFIELD, CA 94914-0205	

Enter the Return code for the return that this application is for (file a separate application for each return)

0 4

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01		
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

KRISTI BURLINGAME - C/O LSPOSTER, 3790 VIA DE LA VALLE

- The books are in the care of **#207 - DEL MAR, CA 92014**

Telephone No. **310-414-9358**

Fax No. ☐

- If the organization does not have an office or place of business in the United States, check this box ☐

- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ☐. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until **NOVEMBER 15, 2015.**

5 For calendar year **2014**, or other tax year beginning ☐, and ending ☐.

6 If the tax year entered in line 5 is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

7 State in detail why you need the extension

ADDITIONAL INFORMATION FROM THIRD PARTIES IS REQUIRED FOR THE FILING OF A COMPLETE AND ACCURATE RETURN.

8a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$	0.
c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$	0.

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ☐

Title ☐

Date ☐

Form 8868 (Rev. 1-2014)