Form **990-EZ**

Department of the Treasury
Internal Revenue Service

Short Form
Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public.

▶ Information about Form 990-EZ and its instructions is at www.irs.gov/form990.

OMB No 1545-1150

2014

Open to Public Inspection

A For the 2014 calendar year, or tax year beginning , 2014, and ending , 20

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return/terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization: QLBC FOUNDATION, INC.

Number and street (or P.O box, if mail is not delivered to street address): 1904 QUAIL LAKES DR. Room/suite:

City or town, state or province, country, and ZIP or foreign postal code: STOCKTON, CA 95207

D Employer Identification number: 94-3339848

E Telephone number: 209 951-7380

F Group Exemption Number ▶

G Accounting Method ☑ Cash ☐ Accrual Other (specify) ▶

H Check ▶ ☐ if the organization is **not** required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

I Website: ▶ FRED@QLBC.ORG

J Tax-exempt status (check only one) – ☑ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

K Form of organization: ☑ Corporation ☐ Trust ☐ Association ☐ Other

L Add lines 5b, 6c, and 7b to line 9 to determine gross receipts. If gross receipts are $200,000 or more, or if total assets (Part II, column (B) below) are $500,000 or more, file Form 990 instead of Form 990-EZ . . . ▶ $

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see the instructions for Part I)

Check if the organization used Schedule O to respond to any question in this Part I . . . ☑

Revenue	1	Contributions, gifts, grants, and similar amounts received			1	74177
	2	Program service revenue including government fees and contracts			2	
	3	Membership dues and assessments			3	
	4	Investment income			4	16239
	5a	Gross amount from sale of assets other than inventory	5a	155		
	b	Less: cost or other basis and sales expenses	5b	26		
	c	Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a)			5c	129
	6	Gaming and fundraising events				
	a	Gross income from gaming (attach Schedule G if greater than $15,000)	6a			
	b	Gross income from fundraising events (not including $ of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds $15,000)	6b			
	c	Less: direct expenses from gaming and fundraising events	6c			
	d	Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)			6d	
	7a	Gross sales of inventory, less returns and allowances	7a			
	b	Less: cost of goods sold	7b			
	c	Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)			7c	
	8	Other revenue (describe in Schedule O)			8	
	9	**Total revenue.** Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8 ▶			9	90545
Expenses	10	Grants and similar amounts paid (list in Schedule O)			10	22000
	11	Benefits paid to or for members			11	
	12	Salaries, other compensation, and employee benefits			12	
	13	Professional fees and other payments to independent contractors			13	
	14	Occupancy, rent, utilities, and maintenance			14	
	15	Printing, publications, postage, and shipping			15	
	16	Other expenses (describe in Schedule O)			16	
	17	**Total expenses.** Add lines 10 through 16 ▶			17	22000
Net Assets	18	Excess or (deficit) for the year (Subtract line 17 from line 9)			18	68545
	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)			19	284316
	20	Other changes in net assets or fund balances (explain in Schedule O)			20	-7447
	21	Net assets or fund balances at end of year. Combine lines 18 through 20 ▶			21	342414

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Part II **Balance Sheets** (see the instructions for Part II)

Check if the organization used Schedule O to respond to any question in this Part II . . . ☑

		(A) Beginning of year		(B) End of year
22	Cash, savings, and investments	281316	22	342414
23	Land and buildings		23	
24	Other assets (describe in Schedule O)		24	
25	**Total assets**		25	
26	**Total liabilities** (describe in Schedule O)		26	
27	**Net assets or fund balances** (line 27 of column (B) **must** agree with line 21)		27	

Part III **Statement of Program Service Accomplishments** (see the instructions for Part III)

Check if the organization used Schedule O to respond to any question in this Part III . . ☑

What is the organization's primary exempt purpose?

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. In a clear and concise manner, describe the services provided, the number of persons benefited, and other relevant information for each program title.

Expenses (Required for section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts; optional for others.)

			Expenses
28	Paid to Quail Lakes Baptist Church for sponsorship of one student who qualified for Masters study at a Seminary for future Pastoral service. (Grants $) If this amount includes foreign grants, check here ▶ ☐	28a	2000
29	Sponsor weekly broadcast on Stockton AM radio station 770 KCBC of Quail Lakes Baptist Church weekly sermon. This represents the annual cost for two years. (Grants $) If this amount includes foreign grants, check here ▶ ☐	29a	20000
30	(Grants $) If this amount includes foreign grants, check here ▶ ☐	30a	
31	Other program services (describe in Schedule O) (Grants $) If this amount includes foreign grants, check here ▶ ☐	31a	
32	**Total program service expenses** (add lines 28a through 31a) ▶	32	22000

Part IV **List of Officers, Directors, Trustees, and Key Employees** (list each one even if not compensated—see the instructions for Part IV)

Check if the organization used Schedule O to respond to any question in this Part IV . . . ☐

(a) Name and title	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC) (if not paid, enter -0-)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation
Fred Hammond, President/Treasurer	Less than 1 hour	0	0	0
Lester E. Cook, Chairman of the Board	2 to 4 hours	0	0	0
Paul Kozlow, Director	Less than 1 hour	0	0	0
Marc Maffucci, Director	Less than 1 hour	0	0	0
Bill Stoermer	Less than 1 hour	0	0	0
Steve Willis	Less than 1hour	0	0	0

Part V **Other Information** (Note the Schedule A and personal benefit contract statement requirements in the instructions for Part V) Check if the organization used Schedule O to respond to any question in this Part V ☐

			Yes	No
33	Did the organization engage in any significant activity not previously reported to the IRS? If "Yes," provide a detailed description of each activity in Schedule O	33		✓
34	Were any significant changes made to the organizing or governing documents? If "Yes," attach a conformed copy of the amended documents if they reflect a change to the organization's name. Otherwise, explain the change on Schedule O (see instructions)	34		✓
35a	Did the organization have unrelated business gross income of $1,000 or more during the year from business activities (such as those reported on lines 2, 6a, and 7a, among others)?	35a		✓
b	If "Yes," to line 35a, has the organization filed a Form 990-T for the year? If "No," provide an explanation in Schedule O	35b		
c	Was the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization subject to section 6033(e) notice, reporting, and proxy tax requirements during the year? If "Yes," complete Schedule C, Part III	35c		
36	Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N	36		✓
37a	Enter amount of political expenditures, direct or indirect, as described in the instructions ▶ 37a 0			
b	Did the organization file **Form 1120-POL** for this year?	37b		✓
38a	Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee **or** were any such loans made in a prior year and still outstanding at the end of the tax year covered by this return?	38a		✓
b	If "Yes," complete Schedule L, Part II and enter the total amount involved 38b			
39	Section 501(c)(7) organizations. Enter:			
a	Initiation fees and capital contributions included on line 9 39a			
b	Gross receipts, included on line 9, for public use of club facilities 39b			
40a	Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911 ▶ 0 ; section 4912 ▶ 0 ; section 4955 ▶ 0			
b	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year, or did it engage in an excess benefit transaction in a prior year that has not been reported on any of its prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	40b		
c	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ NONE			
d	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax on line 40c reimbursed by the organization ▶ NONE			
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T	40e		

41 List the states with which a copy of this return is filed ▶ CALIFORNIA

42a The organization's books are in care of ▶ Fred Hammond Telephone no. ▶ 209 951-7380
Located at ▶ 1904 Quail Lakes Dr Stockton, CA ZIP + 4 ▶ 95207

			Yes	No
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country: ▶ See the instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).	42b		✓
c	At any time during the calendar year, did the organization maintain an office outside the U.S.? If "Yes," enter the name of the foreign country: ▶	42c		✓

43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of **Form 1041**—Check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 43

			Yes	No
44a	Did the organization maintain any donor advised funds during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ	44a		✓
b	Did the organization operate one or more hospital facilities during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ	44b		✓
c	Did the organization receive any payments for indoor tanning services during the year?	44c		✓
d	If "Yes" to line 44c, has the organization filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*	44d		
45a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	45a		✓
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," Form 990 and Schedule R may need to be completed instead of Form 990-EZ (see instructions)	45b		✓

			Yes	No
46	Did the organization engage, directly or indirectly, in political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	46		✓

Part VI **Section 501(c)(3) organizations only**

All section 501(c)(3) organizations must answer questions 47–49b and 52, and complete the tables for lines 50 and 51.

Check if the organization used Schedule O to respond to any question in this Part VI ☐

			Yes	No
47	Did the organization engage in lobbying activities or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	47		✓
48	Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	48		✓
49a	Did the organization make any transfers to an exempt non-charitable related organization?	49a		✓
b	If "Yes," was the related organization a section 527 organization?	49b		

50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than $100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and title of each employee	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation
QLBC FOUNDATION INC. has no paid employees All investing is done in a independent investment				
company, and decisions with respect to invest- ments made an/or sold, are reviewed by the				
Chairmen of the Board and the Secretary, an attorn				

f Total number of other employees paid over $100,000 ▶ no paid eployees

51 Complete this table for the organization's five highest compensated independent contractors who each received more than $100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and business address of each independent contractor	(b) Type of service	(c) Compensation

d Total number of other independent contractors each receiving over $100,000 ▶ Only contract is with KCBC RADIO ATATIO

52 Did the organization complete Schedule A? **Note.** All section 501(c)(3) organizations must attach a completed Schedule A ▶ ☑ Yes ☐ No

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 officer) is based on all information of which preparer has any knowledge

Sign Here

▶ Signature of officer — Hammond — Date 5-6-15

▶ Fred Hammond, President and Treasurer
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no	

May the IRS discuss this return with the preparer shown above? See instructions ▶ ☐ Yes ☐ No

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.

OMB No. 1545-0047

2014

Open to Public Inspection

Name of the organization	Employer identification number
QLBC FOUNDATION INC	94-3339848

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state:

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 ☐ An organization that normally receives: (1) more than 33⅓% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33⅓% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

11 ☑ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g.

a ☑ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**

b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**

c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**

d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**

e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.

f Enter the number of supported organizations . . . .

g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization listed in your governing document? Yes	No	(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
(A) Quail Lakes Baptist Church. See Schedule O	90-0396233	Church	✔		This Year,$22,000	None
(B)						
(C)						
(D)						
(E)						
Total					22,000	None

990-EZ Schedule O 2014

Part I **Revenue, Expenses, and Changes in Net Assets or Fund Balances.**

10 One Seminary scholarship to one qualifying student at $2,000
Payment to Quail Lakes Baptist Church for sermon broadcasts $20,000
20 Unrealized loss in value of securities, $7,447

Part II **Balance Sheets**

	12/31/2013	12/31/2014
Cash, savings, and investments, Fair Market basis	$ 258,123.32	$ 281,316.19
Contributions received	14,850.00	74177
Dividends and Interest on investments	14,056.38	16239
Realized Gain/(Loss) on disposition of investments	8,030.41	129
Expenses	-20.00	0
Payments to Quail Lakes Baptist Church, 2 scholarships	-4,000.00	-2000
Payments to Quail Lakes Baptist Church, AM station weeklu sermons		-20000
Unrealized Gain/- loss on securities	-9,723.92	-7447
End of year balance of Net Assets , Fair Market basis	$ 281,316.19	$ 342,414.19

Part III

28 See attachment, QLBC Foundation, Ministry Studies Scholarship

QLBC Foundation

Ministry Studies Scholarship

Award amount: $2,000
Number of scholarships available annually: 2

This scholarship is awarded to the person who is studying at the Masters Degree or above level at a theological seminary with the purpose of training for the Christian ministry as a vocation. Christian ministry in this context does not necessarily mean local church ministry, but includes any aspect of ministry in a Christian context. Financial need will be a factor considered in the award of the scholarship, but not the sole decision-making factor.

Prerequisite:

- A demonstrated 3.0 or above G.P.A. in undergraduate studies upon graduation or a cumulative 3.0 GPA within the masters program should the applicant already be enrolled;
- Quail church membership.

School eligibility:

- A WASC accredited (or similar) evangelical theological seminary.

Application process:

- The applicant shall:
  1. Supply proof of G.P.A. eligibility;
  2. Write an essay of not to exceed 2000 words explaining their:
     a. Testimony of Christian salvation.
     b. Call to ministry and what sort of ministry they foresee.
     c. An explanation of how this education program supports the ministerial goals of the applicant.

Applications are to be turned into the church office by ________________.
(date)

Applications will be reviewed by the QLBC Foundation Ministry Studies scholarship commission to be awarded by ________________.
(date)

Awards must be presented in person in a public service of QLBC.

BYLAWS OF

THE QLBC FOUNDATION

a California Nonprofit Religious Corporation

ARTICLE I

Name

The name of this corporation is:
THE QLBC FOUNDATION

ARTICLE II

Offices

SECTION 2.01. PRINCIPAL OFFICE

The principal office for the Transaction of the activities and affairs of the foundation ("principal office") is located at 1904 Quail Lakes Drive, Stockton, California. The Board of Directors ("the Board") may change the principal office from one location to another. Any change of location of the principal office shall be noted by the Secretary in these Bylaws opposite this section, or this section may be amended to state the new location.

SECTION 2.02. OTHER OFFICES

The Board may at any time establish a branch or subordinate office at any place or places where the foundation is qualified to conduct its activities.

ARTICLE III

Purposes and Limitations

SECTION 3.01. PURPOSES

a. This foundation is a nonprofit religious foundation and is not organized for the private gain of any person. It is organized under the California Nonprofit Religious Corporation Law for religious purposes. This foundation is organized exclusively for religious purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future Unites State Internal Revenue Law). Notwithstanding any other provision of these Bylaws, this foundation shall not, except to an insubstantial degree, carry on or engage in any activities or exercise any powers that are not in furtherance of the purposes of this foundation, and the foundation shall not carry on any other activities not permitted to be carried on (i) by a corporation exempt from Federal income tax under Section 501 (c)(3) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue Law); (ii) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

b. The primary objective of the Foundation is to serve as an endowment fund auxiliary organization to Quail Lakes Baptist Church, Stockton, California ("the Church"). To this end, the Foundation for and on behalf of the Church, shall provide for the sound fiscal management, investment and accounting of such endowment and deferred giving funds.

c. To the extent not inconsistent with the fund raising activities conducted directly by the Church, it is also the objective of the foundation for and on behalf of the Church, to solicit gifts and contributions from potential Church donors and to implement streamlined, efficient procedures and policies to assure the continued financial stability of the Church. The activities of the foundation shall be those of a support organization as defined by Internal Revenue Code Section 509 (a)(3).

SECTION 3.02. LIMITATIONS

a. <u>Political Activity</u>. No substantial part of the activities of this foundation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and this foundation shall not participate in or intervene in (including the publishing or distributing of statements in connection with) any political campaign on behalf of any candidate for public office.

b. <u>Property</u>. The property, assets, profits and net income are dedicated irrevocably to the purposes set forth in Section 3.01 above. No part of the profits or net earnings of this foundation shall ever inure to the benefit of any of its Directors, Trustees, Officers, Members (if any), Employees, or to the benefit of any private individual.

c. <u>Dissolution</u>. Upon the winding up and dissolution of this foundation, after paying or adequately providing for the payment of the debts, obligations and liabilities of the foundation, the remaining assets of this foundation shall be distributed to the Quail Lakes Baptist Church, Stockton, California, if properly qualified under section 501 (c)(3) of the Internal Revenue code if not then to such a nonprofit fund, foundation or corporation which is organized and operated exclusively for religious purposes and which has established its tax exempt status under Section 501 (c)(3)of the Internal Revenue code of 1954 (or the corresponding provision of any future United States Internal Revenue Law.), as may be determined by the Board in its sole discretion.