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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

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

OMB No 1545-0052

2014

Open to Public Inspection

For calendar year 2014, or tax year beginning 07-01-2014, and ending 06-30-2015

Name of foundation WALLACE FOUNDATION		A Employer identification number 62-6048465	
Number and street (or P O box number if mail is not delivered to street address) P O BOX 6004		B Telephone number (see instructions) (423) 586-5650	
City or town, state or province, country, and ZIP or foreign postal code MORRISTOWN, TN 378156004		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) \$ 676,268		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐	
J Accounting method ☐ Cash ☒ Accrual ☐ Other (specify) _____ (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) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)	3,600			
	2 Check ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	10	10	10	
	4 Dividends and interest from securities.	10,737	10,737	10,737	
	5a Gross rents				
	b Net rental income or (loss) _____				
	6a Net gain or (loss) from sale of assets not on line 10 ☒	36,195			
	b Gross sales price for all assets on line 6a <u>63,417</u>				
	7 Capital gain net income (from Part IV, line 2) . . .		14,915		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule) ☒	-638		-638	
	12 Total. Add lines 1 through 11	49,904	25,662	10,109	
	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule) ☒	700		700	700
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions) . . .				
	19 Depreciation (attach schedule) and depletion . . .				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) ☒	481	481	481	
	24 Total operating and administrative expenses.				
	Add lines 13 through 23	1,181	481	1,181	700
	25 Contributions, gifts, grants paid	86,065			86,065
	26 Total expenses and disbursements. Add lines 24 and 25	87,246	481	1,181	86,765
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	-37,342			
	b Net investment income (if negative, enter -0-)		25,181		
	c Adjusted net income (if negative, enter -0-)			8,928	

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	220,089	77,720	77,720
	2	Savings and temporary cash investments			
	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)	510,997	598,548	598,548
	c	Investments—corporate bonds (attach schedule).			
	11	Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	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)	731,086	676,268	676,268	
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 (attach schedule)			
	22	Other liabilities (describe ▶ _____)	71,296	72,003	
	23	Total liabilities (add lines 17 through 22)	71,296	72,003	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	659,790	604,265	
	30	Total net assets or fund balances (see instructions)	659,790	604,265	
	31	Total liabilities and net assets/fund balances (see instructions) . . .	731,086	676,268	

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)	1 659,790
2	Enter amount from Part I, line 27a	2 -37,342
3	Other increases not included in line 2 (itemize) ▶ _____	3
4	Add lines 1, 2, and 3	4 622,448
5	Decreases not included in line 2 (itemize) ▶ _____	5 18,183
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 .	6 604,265

Part IV

Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))	
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any		
a				
b				
c				
d				
e				
2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2	14,915
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8 }		3	

Part V

Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))	
2013	67,152	715,739	0 093822	
2012	64,686	689,388	0 093831	
2011	68,146	402,676	0 169233	
2010	44,264	345,694	0 128044	
2009	179,209	334,523	0 535715	
2	Total of line 1, column (d).		2	1 020645
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 204129
4	Enter the net value of noncharitable-use assets for 2014 from Part X, line 5.		4	687,603
5	Multiply line 4 by line 3.		5	140,360
6	Enter 1% of net investment income (1% of Part I, line 27b).		6	252
7	Add lines 5 and 6.		7	140,612
8	Enter qualifying distributions from Part XII, line 4.		8	86,765
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 VIExcise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1		
	Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☐ and enter 1% of Part I, line 27b	1	504
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	
3	Add lines 1 and 2.	3	504
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	504
6	Credits/Payments		
a	2014 estimated tax payments and 2013 overpayment credited to 2014	6a	
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d.	7	
8	Enter any penalty for underpayment of estimated tax. Check here ☒ if Form 2220 is attached	8	7
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	511
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-AStatements Regarding Activities

1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a	Yes	No
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)?	1b		No
	<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>			
c	Did the foundation file Form 1120-POL for this year?	1c		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation \$ _____ (2) On foundation managers \$ _____			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$ _____			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS?	2		No
	<i>If "Yes," attach a detailed description of the activities.</i>			
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>	3		No
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on Form 990-T for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year?	5		No
	<i>If "Yes," attach the statement required by General Instruction T.</i>			
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes	
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>	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) TN _____			
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? <i>If "No," attach explanation.</i>	8b	Yes	
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>	9		No
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses.</i>	10		No

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		No
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	
Website address N/A				
14	The books are in care of DAVID HEWITT Telephone no (423) 586-5650 Located at 5050 SOUTH DAVY CROCKETT PARKWAY MORRISTOWN TN ZIP+4 378156004			
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?	16	Yes	No
See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) If "Yes", enter the name of the foreign country				

Part VII-B

Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			Yes	No
1a	During the year did the foundation (either directly or indirectly) (1) Engage in the sale or exchange, or leasing of property with a disqualified person? Yes No (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?. Yes No (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? Yes No (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? Yes No (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?. Yes No (6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). Yes No			
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here.	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 20 , 20 , 20 , 20			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions).	2b		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here 20 , 20 , 20 , 20			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?. Yes No			
b	If "Yes," did it have excess business holdings in 2014 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2014.).	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2014?	4b		No

Part VII-B

Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	☐ Yes ☒ No		
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	☐ Yes ☒ No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	☐ Yes ☒ No		
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 4945(d)(4)(A)? (see instructions).	☐ Yes ☒ No		
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	☐ Yes ☒ No		
b	If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?		5b	
	Organizations relying on a current notice regarding disaster assistance check here.	☒		
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?	☐ Yes ☐ No		
	If "Yes," attach the statement required by Regulations section 53.4945–5(d).			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes ☒ No		
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		6b	No
	If "Yes" to 6b, file Form 8870.			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes ☒ No		
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?		7b	

Part VIII

Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).				
(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
DOYLE M WALLACE	PRESIDENT	0	0	0
P O BOX 6004 MORRISTOWN,TN 378156004	1 00			
ROBIN W DAWSON	TREASURER	0	0	0
P O BOX 6004 MORRISTOWN,TN 378156004	1 00			
LISA W TRUSLER	SECRETARY	0	0	0
P O BOX 6004 MORRISTOWN,TN 378156004	1 00			
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

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE".

NONE

Total number of others receiving over \$50,000 for professional services. 1

Part IX-A

1

2

3

4

Part IX-B

1 N/A

2

All other program-related investments See instructions

3

Total. Add lines 1 through 3

Part X

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities.	1a	534,129
b	Average of monthly cash balances.	1b	163,945
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	698,074
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	698,074
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	10,471
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	687,603
6	Minimum investment return. Enter 5% of line 5.	6	34,380

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	34,380
2a	Tax on investment income for 2014 from Part VI, line 5.	2a	504
b	Income tax for 2014 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	504
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	33,876
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	33,876
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	33,876

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	86,765
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	86,765
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	86,765

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				33,876
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only.				
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2014				
a From 2009.	162,597			
b From 2010.	27,060			
c From 2011.	48,157			
d From 2012.	30,385			
e From 2013.	31,667			
f Total of lines 3a through e.	299,866			
4 Qualifying distributions for 2014 from Part XII, line 4 ▶ \$ 86,765				
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.				33,876
e Remaining amount distributed out of corpus	52,889			
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	352,755			
b Prior years' undistributed income Subtract line 4b from line 2b.				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.				
d Subtract line 6c from line 6b Taxable amount—see instructions				
e Undistributed income for 2013 Subtract line 4a from line 2a Taxable amount—see instructions				
f Undistributed income for 2014 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2015				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)				
8 Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions) . . .	162,597			
9 Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a	190,158			
10 Analysis of line 9				
a Excess from 2010. . . .	27,060			
b Excess from 2011. . . .	48,157			
c Excess from 2012. . . .	30,385			
d Excess from 2013. . . .	31,667			
e Excess from 2014. . . .	52,889			

Part XIV

Private Operating Foundations (see instructions and Part VII-A, question 9)

1a

If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2014, enter the date of the ruling.

b

Check box to indicate whether the organization is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

☐ 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	
b	85% of line 2a					
c	Qualifying distributions from Part XII, line 4 for each year listed					
d	Amounts included in line 2c not used directly for active conduct of exempt activities					
e	Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3	Complete 3a, b, or c for the alternative test relied upon					
a	"Assets" alternative test—enter					
	(1) Value of all assets					
	(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b	"Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed. . . .					
c	"Support" alternative test—enter					
	(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties).					
	(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii).					
	(3) Largest amount of support from an exempt organization					
	(4) Gross investment income					

Part XV

Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year—see instructions.)

1

Information Regarding Foundation Managers:

a

List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))

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

DOYLE M WALLACE
P O BOX 6004
MORRISTOWN, TN 378156004
(423) 586-5650

b

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

NO SPECIFIC FORM AUTHORIZED OR REQUIRED

c

Any submission deadlines

NONE

d

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

SUBJECT TO FINAL APPROVAL BY OFFICERS

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 Additional Data Table				
Total			3a	86,065
b Approved for future payment				
Total			3b	

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income (See instructions)	
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					10	
4 Dividends and interest from securities. . . .					10,737	
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					36,195	
9 Net income or (loss) from special events						
10 Gross profit or (loss) from sales of inventory. .						
11 Other revenue a <u>LOSS / WALL-RAM</u> <u>PARTNERSHIP</u>					-717	
b <u>OTHER INCOME</u>					79	
c _____						
d _____						
e _____						
12 Subtotal Add columns (b), (d), and (e). .					46,304	
13 Total. Add line 12, columns (b), (d), and (e).				13	46,304	

(See worksheet in line 13 instructions to verify calculations)

[illegible]

Part XVII

Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

1

Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

Yes

No

a

Transfers from the reporting foundation to a noncharitable exempt organization of

(1)

Cash.

1a(1)

No

(2)

Other assets.

1a(2)

No

b

Other transactions

(1)

Sales of assets to a noncharitable exempt organization.

1b(1)

No

(2)

Purchases of assets from a noncharitable exempt organization.

1b(2)

No

(3)

Rental of facilities, equipment, or other assets.

1b(3)

No

(4)

Reimbursement arrangements.

1b(4)

No

(5)

Loans or loan guarantees.

1b(5)

No

(6)

Performance of services or membership or fundraising solicitations.

1b(6)

No

c

Sharing of facilities, equipment, mailing lists, other assets, or paid employees.

1c

No

d

If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

(a) Line No	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

2a

Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

Yes

No

b

If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

2015-07-14

Signature of officer or trustee

Date

Title

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

Yes

No

Paid Preparer Use Only

Print/Type preparer's name

DEBRA H BUTLER

Preparer's Signature

Date

2015-07-27

Check if self-employed

PTIN

P00047566

Firm's name

CRAINE THOMPSON & JONES PC

Firm's EIN

62-1099059

Firm's address

225 W FIRST NORTH ST MORRISTOWN, TN 37814

Phone no

(423) 586-7650

Form 990-PF (2014)

Form 990PF Part XV Line 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				
CORNERSTONE ACADEMY 260 JACOBS ROAD MORRISTOWN,TN 37814	NONE	EXEMPT	GENERAL FUND	2,000
PRAYER BREAKFAST 5050 S DAVY CROCKETT PKWY MORRISTOWN,TN 37813	NONE	EXEMPT	GENERAL FUND	4,882
CARSON NEWMAN COLLEGE 1646 RUSSELL AVENUE JEFFERSON CITY,TN 37760	NONE	EXEMPT	EAGLE CLUB	7,448
UNITED WAY OF HAMBLLEN COUNTY 3780 W ANDREW JOHNSON HWY MORRISTOWN,TN 37814	NONE	EXEMPT	GENERAL FUND	6,780
FCA PO BOX 3383 MORRISTOWN,TN 37815	NONE	EXEMPT	GENERAL FUND	10,000
SECOND HARVEST 922 DELAWARE AVENUE NW KNOXVILLE,TN 37921	NONE	EXEMPT	GENERAL FUND	1,000
HELEN MCNABB FOUNDATION 201 WEST SPRINGDALE KNOXVILLE,TN 37917	NONE	EXEMPT	GENERAL FUND	10,000
FIRST BAPTIST CHURCH 504 WEST MAIN STREET MORRISTOWN,TN 37814	NONE	EXEMPT	GENERAL FUND	1,000
ALPS ADULT DAY SERVICES 600 NORTH DAISY STREET MORRISTOWN,TN 37814	NONE	EXEMPT	GENERAL FUND	15,000
SOUTHERN BAPTIST THEOLOGICAL SEMINA 2825 LEXINGTON ROAD LOUISVILLE,KY 40280	NONE	EXEMPT	GENERAL FUND	1,500
NEW ORLEANS BAPTIST SEMINARY 3939 GENTILLY BOULEVARD NEW ORLEANS,LA 70126	NONE	EXEMPT	GENERAL FUND	10,000
EAST TENNESSEE CHILDREN'S HOSPITAL 2018 WEST CLINCH AVENUE KNOXVILLE,TN 37916	NONE	EXEMPT	GENERAL FUND	1,500
FRED NAUDE - INTNL MISSIONS BOARD 3806 MONUMENT AVENUE RICHMOND,VA 23230	NONE	EXEMPT	GENERAL FUND	2,500
BOYS AND GIRLS CLUB OF MORRISTOWN 311 SULPHUR SPRINGS ROAD MORRISTOWN,TN 37813	NONE	EXEMPT	FOUNDATION	1,000
FRIENDS OF HOSPICE 1054 KENNEDY CIRCLE MORRISTOWN,TN 37813	NONE	EXEMPT	GENERAL FUND	1,000
Total  3a				86,065

Form 990PF Part XV Line 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 <i>Paid during the year</i>				
PRICE HARRIS EVANGELISTIC ASSOCIATI 438 MARS DRIVE SHREVEPORT, LA 71106	NONE	EXEMPT	GENERAL FUND	1,000
ALL OTHERS 5050 S DAVY CROCKETT PKWY MORRISTOWN, TN 37814	NONE	EXEMPT	GENERAL FUND	9,455
Total ▶ 3a				86,065

TY 2014 Accounting Fees Schedule

Name: WALLACE FOUNDATION

EIN: 62-6048465

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	700		700	700

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

TY 2014 Gain/Loss from Sale of Other Assets Schedule

Name: WALLACE FOUNDATION

EIN: 62-6048465

Name	Date Acquired	How Acquired	Date Sold	Purchaser Name	Gross Sales Price	Basis	Basis Method	Sales Expenses	Total (net)	Accumulated Depreciation
EDWARD JONES 375-04268-1-3	2013-10	PURCHASE	2014-07		659	603			56	
EDWARD JONES 375-04268-1-3	2010-07	PURCHASE	2014-07		24,581	12,048			12,533	
EDWARD JONES 375-04268-1-3	2014-10	PURCHASE	2015-01		543	490			53	
EDWQARD JONES 375-04268-1-3	2010-07	PURCHASE	2015-01		22,719	14,081			8,638	

**TY 2014 Investments Corporate
Stock Schedule****Name:** WALLACE FOUNDATION**EIN:** 62-6048465

Name of Stock	End of Year Book Value	End of Year Fair Market Value
EDWARD JONES BROKERAGE ACCOUNT	443,088	443,088
CITIGROUP	27,178	27,178
ST. PAUL TRAVELERS	26,968	26,968
REGIONS FINANCIAL	40,414	40,414
LAKEWAY PUBLISHERS, INC.	900	900
HERITAGE COMMUNITY BANK	60,000	60,000

TY 2014 Other Decreases Schedule**Name:** WALLACE FOUNDATION**EIN:** 62-6048465

Description	Amount
PRIOR YEAR'S FEDERAL INCOME TAX	302
UNREALIZED LOSSES ON CORPORATE STOCKS	17,881

TY 2014 Other Expenses Schedule

Name: WALLACE FOUNDATION

EIN: 62-6048465

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXPENSES				
OTHER EXPENSES	481	481	481	

TY 2014 Other Income Schedule

Name: WALLACE FOUNDATION

EIN: 62-6048465

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
LOSS / WALL-RAM PARTNERSHIP	-717		-717
OTHER INCOME	79		79

TY 2014 Other Liabilities Schedule

Name: WALLACE FOUNDATION

EIN: 62-6048465

Description	Beginning of Year - Book Value	End of Year - Book Value
WAL-RAM PARTNERSHIP	71,296	72,003