Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation
or Section 4947(a)(1) Trust Treated as Private Foundation

▶ Do not enter social security numbers on this form as it may be made public.
▶ Information about Form 990-PF and its separate 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: Adler Foundation
A Employer identification number: 76-0001183
Number and street (or P O box number if mail is not delivered to street address): 4899 Montrose Blvd — Room/suite: 1312
B Telephone number (see instructions): (713)524-7777
City or town, state or province, country, and ZIP or foreign postal code: Houston, TX 77006-6169
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) ▶ $ 5,270,553
J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify) (Part I, column (d) must be on cash basis)

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

Part I **Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue 1	Contributions, gifts, grants, etc , received (attach schedule)				
2	Check ▶ ☒ if the foundation is **not** required to attach Sch B				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	111,458	111,458		
5a	Gross rents				
b	Net rental income or (loss) (38)				
6a	Net gain or (loss) from sale of assets not on line 10	1,191,942			
b	Gross sales price for all assets on line 6a 1,972,596				
7	Capital gain net income (from Part IV, line 2)		1,191,942		
8	Net short-term capital gain				
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss) (attach schedule)				
11	Other income (attach schedule) STM106	37,616	394,931		
12	**Total.** Add lines 1 through 11	1,341,016	1,698,331		
Operating and Administrative Expenses 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) STM108	5,445	2,745		2,745
c	Other professional fees (attach schedule)				
17	Interest				
18	Taxes (attach schedule) (see instructions) STM110	23,154	296		
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule) STM103	655			100
24	**Total operating and administrative expenses.** Add lines 13 through 23	29,254	3,041		2,845
25	Contributions, gifts, grants paid	272,259			272,259
26	**Total expenses and disbursements.** Add lines 24 and 25	301,513	3,041		275,104
27	Subtract line 26 from line 12				
a	**Excess of revenue over expenses and disbursements**	1,039,503			
b	**Net investment income** (if negative, enter -0-)		1,695,290		
c	**Adjusted net income** (if negative, enter -0-)			0	

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For Paperwork Reduction Act Notice, see instructions.

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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 (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1	Cash - non-interest-bearing	5,930	80,534	80,534
	2	Savings and temporary cash investments	6,915	44,803	44,803
	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) STM137	880,293	1,363,662	3,283,366
	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) STM118	(46,870)	503,128	1,861,850
	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)	846,268	1,992,127	5,270,553
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 ▶)			
	23	**Total liabilities** (add lines 17 through 22)	0	0	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	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	846,268	1,992,127	
	30	**Total net assets or fund balances** (see instructions)	846,268	1,992,127	
	31	**Total liabilities and net assets/fund balances** (see instructions)	846,268	1,992,127	

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	846,268
2	Enter amount from Part I, line 27a	2	1,039,503
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,885,771
5	Decreases not included in line 2 (itemize) ▶ STM116	5	(106,356)
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,992,127

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	See STM~134			
b				
c				
d				
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	1,972,596		780,654	1,191,942
b				
c				
d				
e				

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

	(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	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				1,191,942
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	1,191,942
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	(30,608)

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	256,259	5,574,548	0.045969
2012	233,936	5,198,744	0.044999
2011	203,481	4,716,270	0.043144
2010	188,679	4,338,370	0.043491
2009	158,556	3,600,584	0.044036

2	**Total** of line 1, column (d)	2	0.221639
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	0.044328
4	Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	5,719,011
5	Multiply line 4 by line 3	5	253,512
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	16,953
7	Add lines 5 and 6	7	270,465
8	Enter qualifying distributions from Part XII, line 4	8	275,104

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)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☒ and enter 1% of Part I, line 27b	1	16,953
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	16,953
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	16,953
6	Credits/Payments		
a	2014 estimated tax payments and 2013 overpayment credited to 2014 — 6a: 22,858		
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	22,858
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	5,905
11	Enter the amount of line 10 to be **Credited to 2015 estimated tax** ▶ 5,905 **Refunded** ▶	11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1b		X
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ________ **(2)** On foundation managers ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities	2		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	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a	X	
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b	X	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T	5		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?	6	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*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ TX			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	8b	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	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

Part VII-A Statements Regarding Activities (continued)

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		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?	13	X	
	Website address ▶ N/A			
14	The books are in care of ▶ Louis Adler Telephone no ▶ 713-524-7777			
	Located at ▶ 4899 Montrose Blvd, Houston, TX ZIP+4 ▶ 77006-6169			
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		X
	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 ▶			

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

	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		Yes	No
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2014?	1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? ☐ Yes ☒ No			
	If "Yes," list the years ▶ ____, ____, ____, ____			
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 ▶ ____, ____, ____, ____			
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		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2014?	4b		X

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

		Yes	No
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** If "Yes" to 6b, file Form 8870		X
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
Louis Adler 4899 Montrose Blvd, Houston, TX 77006	President and T 1.00	0	0	0
Gail F Adler 4899 Montrose Blvd, Houston, TX 77006	Vice President 1.00	0	0	0
Marc F Adler 4899 Montrose Blvd, Houston, TX 77006	Trustee 1.00	0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1 - see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than $50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over $50,000 ▶ 0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

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

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ▶		

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 none	0
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 ▶	

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	5,600,384
b	Average of monthly cash balances	1b	205,719
c	Fair market value of all other assets (see instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	5,806,103
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	0
3	Subtract line 2 from line 1d	3	5,806,103
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	87,092
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	5,719,011
6	**Minimum investment return.** Enter 5% of line 5	6	285,951

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	285,951
2a	Tax on investment income for 2014 from Part VI, line 5	2a	16,953		
b	Income tax for 2014 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	16,953
3	Distributable amount before adjustments Subtract line 2c from line 1			3	268,998
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	268,998
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	268,998

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	275,104
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	275,104
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	16,953
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	258,151

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				268,998
2	Undistributed income, if any, as of the end of 2014				
a	Enter amount for 2013 only			271,659	
b	Total for prior years ______, ______, ______				
3	Excess distributions carryover, if any, to 2014				
a	From 2009				
b	From 2010				
c	From 2011				
d	From 2012				
e	From 2013				
f	**Total** of lines 3a through e				
4	Qualifying distributions for 2014 from Part XII, line 4 ▶ $ 275,104				
a	Applied to 2013, but not more than line 2a			271,659	
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				3,445
e	Remaining amount distributed out of corpus				
5	Excess distributions carryover applied to 2014 (If an amount appears in column (d), the same amount must be shown in column (a))				
6	**Enter the net total of each column as indicated below:**				
a	Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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				265,553
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)				
9	**Excess distributions carryover to 2015.** Subtract lines 7 and 8 from line 6a				
10	Analysis of line 9				
a	Excess from 2010				
b	Excess from 2011				
c	Excess from 2012				
d	Excess from 2013				
e	Excess from 2014				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2014, enter the date of the ruling ▶

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

	Tax year	Prior 3 years			
	(a) 2014	(b) 2013	(c) 2012	(d) 2011	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year - see instructions.)

1 Information Regarding Foundation Managers:

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

Louis K and Gail F Adler,

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ▶ ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number or e-mail address of the person to whom applications should be addressed

990APP

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
Multiple Participants 615 Texas Avenue Houston, TX 77002			see attached	272,259
Total ▶ 3a				272,259
b Approved for future payment				
The Menil Foundation 1515 Branard Houston, TX 77006			see attached	200,000
The Museum of Fine Arts Houston 1001 Bissonnet Houston, TX 77005			see attached	425,000
Total ▶ 3b				625,000

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	111,406	
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			18	1,191,942	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a K-1 Boardwalk Pipeli	900001	(158)			
b K-1 ELPASO PIPELINE	900099	(1,699)			
c K-1 ENBRIDGE ENERGY	900099	(2,353)			
d K-1 ENTERPRISES PROD	900099	3,720			
e see other revenue st	900099	30,704			
12 Subtotal Add columns (b), (d), and (e)		30,214		1,303,348	

13 **Total.** Add line 12, columns (b), (d), and (e) . . . 13 1,333,562

(See worksheet in line 13 instructions to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)

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

			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

(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

Louis K Adler | 5/11/16 | President and Treasurer

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Cheryl Moon		05-11-2016		P00656802
Firm's name ▶ Teach Quickbooks			Firm's EIN ▶	
Firm's address ▶ 1700 FM 517 Rd E Ste A Dickinson TX 77539			Phone no 281-678-8758	

Name(s) as shown on return: Adler Foundation

FEIN: 76-0001183

990-T, Part I, Line 5
Income (loss) from partnerships and S-corps

Statement #17

Description	Amount
K-1 BORALDWALK	$-158
K-1 EL PASO PIPELINE PARTNERS LP	$-1,699
K-1 ENBRIDGE ENERGY PARTNERS LP	$-2,353
K-1 ENTERPRISE PRODUCTS PARTNERS LP	$3,720
K-1 EXTERRAN PARTNERS LP	$668
K-1 KINDER MORGAN	$46,966
K-1 WILLIAMS PARTNERS LP	$-3,449
K-1 Suburban Propane partners LP	$-3,971
K-1 MARKWEST ENERGY	$-9,110
Total	$30,614

PG 01

Form 990PF, Part III, Line 5
Other Decreases Schedule

Statement #116

Adjustments ın MLP Values	(104,956)
Outstandıng Debt	(1,400)
Total	(106,356)

PG 01

Form 990PF, Part II, Line 13
Investments: Other Schedule

Statement #118

Category	Book value (BOY)	Book value (EOY)	FMV (EOY)
KINDER MORGAN ENERGY PARTNERS LP 71	(246,549)		
EL PASO PIPELINE PRTN LP 2000 UNITS	52,673		
ENTERPRISE PRODUCTS PARTNERS LP 210	1,661	(32,269)	1,255,380
ENBRIDGE ENERGY PARTNERSLP 2000	10,777	(5,037)	66,660
BROOKFIELD INFRASTRUCTURE PRTN LP 2	5,650	42,455	96,400
WILLIAMS PARTNERS LP 500 UNITS	49,462		
EXTERRAN PARTNERS LP 2900 UNITS	40,439	45,819	65,250
SUBURBAN PROPANE PARTNERS LP 1000 U	39,017	34,475	39,880
Markwest Energy Partners LP		417,685	338,280
Total	(46,870)	503,128	1,861,850

Name(s) as shown on return: Adler Foundation

FEIN: 76-0001183

Form 990PF, Part II, Line 10(b)
Investments: Corporate Stock Schedule

Statement #137

Category	BOY	Book Value	EOY FMV
Energy Transfer Prtnrs LP		185,650	156,600
Exterran Partners LP com Unit		62,072	65,250
BANCO SANTANDER SA	68,186	71,071	56,984
CHEVRON CORPORATION	71,700	71,700	385,880
CITIGROUP INC	21,105	21,105	37,011
CLECO CORP HOLDINGS 20000 SH	124,028	105,423	915,450
COCA COLA CO 8000 SHS	20,480	20,480	313,840
CONOCO PHILLIPS 400 SHS	18,314	18,314	24,564
EXXON MOBIL CORP 6000 SHS	111,800	111,800	499,200
Fly Leasing LTD Sponsored ADR		52,723	62,800
Diageo Plc		57,106	58,020
Kinder Morgan Inc	85,378	106,683	114,018
OCCIDENTAL PETE CORP 2000 SHS	122,174	117,917	155,540
PHILLIP MORRIS INTL INC 2500 S	105,255	105,255	200,425
PHILLIPS 66 200 SHS	5,443	5,443	16,112
STARWOOD PROPERTY TRUST 1350 S	19,061	26,202	29,120
General Electric co	28,809		
Seadrill Ltd	78,560		
California Resource Corp		4,258	4,832
Plains All American		154,292	130,710
Royal Dutch Shell		66,168	57,010
Totals	880,293	1,363,662	3,283,366

Federal Supporting Statements

2014 PG 01

Name(s) as shown on return: Adler Foundation

Your Social Security Number: 76-0001183

Form 990PF, Part I, Line 23 - Other Expenses Schedule

Statement #103

Description	Revenue and expenses	Net investment	Adjusted net income	Charitable purpose
MS Expenses 1021	(100)	0	0	100
K-1 BROOKFIELD INFRASTUCTURE	657	0	0	0
Morgan Stanley Fees	98	0	0	0
Totals	655	0	0	100

Federal Supporting Statements

2014 PG 01

Name(s) as shown on return: Adler Foundation

Your Social Security Number: 76-0001183

Form 990PF, Part I, Line 11 - Other Income Schedule

Statement #106

Description	Revenue and expenses	Net investment	Adjusted net income
K-1 EL PASO PIPELINE PARTNERS	(1,699)	0	0
K-1 Midcoast Energy Prt LP	(631)	0	0
K-1 Enbridge Energy Partners L	(1,722)	0	0
K-1 ENTERPRISE PRODUCTS PARTNE	3,720	0	0
K-1 KINDER MORGAN ENERGY PAR	51,268	0	0
K-1 SUBURBAN PROPANE PRTNRS LP	(3,971)	0	0
K-1 Markwest Energy Partners L	(9,104)	0	0
K-1 WILLIAMS PARTNERS LP	(3,268)	0	0
K-1 EXTERRAN PARTNERS LP	515	0	0
Brookfield Infrastructure Part	657	657	0
Interst income	123	0	0
K-1 Enterprise Products	76	76	0
Enterprise GP Holding Lit	1,652	1,652	0
El paso Pipeline Partners	0	7,687	0
Kinder Morgan Energy Partners	0	384,859	0
Totals	37,616	394,931	0

Federal Supporting Statements

Name(s) as shown on return: Adler Foundation

Your Social Security Number: 76-0001183

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

Statement #108

Description	Revenue and expenses	Net investment	Adjusted net income	Charitable purpose
QUICKBOOKS BY DESIGN LLC	5,400	2,700	0	2,700
State Filing Fees	45	45	0	45
Totals	5,445	2,745	0	2,745

Form 990PF, Part I, Line 18 - Taxes Schedule

Statement #110

Description	Revenue and expenses	Net investment	Adjusted net income	Charitable purpose
Foreign Tax Withheld	296	296	0	0
Estimated Tax payments	22,858	0	0	0
Totals	23,154	296	0	0

Federal Supporting Statements

2014 PG 01

Name(s) as shown on return: Adler Foundation

Your Social Security Number: 76-0001183

Form 990-PF, Part IV, Capital Gains And Losses Information (Overflow)

Statement #134

Description	P-Purchase D-Donation	Date Acquired	Date Sold	Sales Price	Depreciation	Cost or other basis	Gain or Loss	Gains Minus Excess or Losses
Petroleo Brasileiro SA ADR	P	01-22-2015	04-27-2015	87,246		79,807	7,439	7,439
William Co Inc	P	06-08-2015	06-22-2015	42,229		34,249	7,980	7,980
Banco Santander SA	P	02-19-2014	02-09-2015	5		7	(2)	(2)
Banco Santaner MS 1021	P	02-19-2014	05-11-2015	7		8	(1)	(1)
Access Midstream MS 1021	P	11-26-2010	02-05-2015	17		20	(3)	(3)
Cleco Corp Hldg CO	P	12-16-1998	03-18-2015	164,240		18,604	145,636	145,636
General Elec Co	P	12-16-1998	04-21-2015	131,535		28,809	102,726	102,726
Williams Partners LP New Com Unit	P	11-26-2010	05-13-2015	25,076		23,469	1,607	1,607
Banco Santander SA	P	10-20-2014	11-13-2014	4		4	(0)	(0)
Seadrill Ltd	P	06-06-2014	11-26-2014	32,535		78,560	(46,025)	(46,025)
El Paso Pipeline Prtn	P	02-15-2011	11-03-2014	80,338		69,616	10,722	10,722
Kinder Morgan	P	09-24-2001	11-03-2014	664,513		225,904	438,609	438,609
Kinder Morgan Energy Ptnr LP	P	09-27-2001	11-03-2014	664,513		165,589	498,924	498,924
El Paso Pipeline Partners	P	02-15-2011	11-03-2014	80,338		56,008	24,330	24,330
Total				1,972,596		780,654	1,191,942	1,191,942

Part XV-Item 3(a)-Contributions Paid

Alley Theatre	615 Texas Avenue	Houston, TX 77002	50,200 00
American Festival of the Arts	0405 A Lubbock St	Houston TX 77007	700 00
American Jewish Committee	165 East 56th Street	New York, NY 10022	200 00
Atlanta Jewish Film Festival	Six Piedmont Center Ste 510	Atlanta GA 30305	8,500 00
Baylor College of Medicine	One Baylor Plaza	Houston TX 77030	50 00
Bo's Place	10050 Buffalo Speedway	Houston TX 77054	25 00
Children's Museum of Houston	1500 Binz	Houston TX 77004	20,050 00
COLLAGE The Art For Cancer Network	1425 Branard Street Ste 2	Houston, TX 77006	1,000 00
Congreation Beth Israel	5600 N Braeswood Blvd	Houston, TX 77096	11,200 00
Congation Emanu El	1500 Sunset Blvd	Houston TX 77005	50 00
Contemporary Arts Museum	5216 Montrose Blvd	Houston TX 77006	590 00
Cornell University	130 E Seneca St Ste 400	Ithaca, NY 14850	200 00
Emory University	1300 Clifton Road	Atlanta, GA 30322	10,000 00
Episcopal High School	4650 Bissonnet	Bellaire, TX 77401	5,000 00
Houston Artists Fund	1117 Milford	Houston TX 77006	500 00
Institute of S Jewish Life	PO Box 16528	Jackson MS 39236	250 00
Jewish Community Center of Houston	5601 S Braeswood	Houston, TX 77096	400 00
Jewish Family Service	4131 S Braeswood	Houston, TX 77025	2,050 00
Jewish Federation of Greater Houston	5603 S Braeswood	Houston, TX 77096	2,050 00
Jewish Healthcare Center Inc	629 Salisbury Street	Worcester, MA 01609	25 00
Judicial Watch	501 School Street SW Ste 500	Washington, DC 20024	500 00
M D Anderson Cancer Center	1515 Holcombe Blvd	Houston, TX 77030	470 00
Methodist Hospital	8060 El Rio	Houston, TX 77054	2,689 00
Museum of Fine Arts, Houston	1001 Bissonnet	Houston, TX 77005	91,645 00
National Right to Work Foundation	8001 Braddock Road	Springfield, VA 22160	250 00
Northwestern University	2020 Ridge Avenue	Evanston, IL 60208	100 00
NYU Longone Cancr Center	25 West Fourth St	New York NY 10012	50 00
Pink Project Inc	1210 W Clay #26	Houston, TX 77019	125 00
Rice Design Alliance	PO Box 1892	Hoiston TX 77251	50 00
Salvation Army Women's Auxillary	PO Box 131979	HoustonTX 77219	100 00
Seven Acres Jewish Senior Care Svcs	6200 North Braeswood	Houston, TX 77074	1,050 00
Temple Emanu El	1East 65th Street	New York NY 10065	100 00
Texas Children's Hospital	PO Box 300630 Ste 5214	Houston YX 77230-0630	50 00
Texas Heart Institute	P O Box 20345	Houston, TX 77225	5,150 00
The 100 Club Inc	5555 San Felipe Ste 520	Houston TX 77056	150 00
The Menil Foundation, Inc	1515 Branard	Houston, TX 77006	50,890 00
The Orange Show foundation	2402 Munger Street	Houston TX 77023	900 00
Tufts University	One Kneeland St Ste 754	Boston, MA 02111	100 00
University of Houston	306 McElhinney Hall	Houston, TX 77204	1,050 00
UT Health Constellation Gala	PO Box 20036	Houston TX 77025	2,000 00
William Marsh Rice University	P O. Box 1892	Houston, TX 77251	1,700 00
WJC America	501 Madison Avenue	New York NY 10022	100 00
			272,259 00

NOTE 1 THE CONTRIUBTIONS LISTED ABOVE WERE MADE FOR THE GENERAL PURPOSES INHERENT IN THE NAMES AND ACTIVITIES OF THE DONEE ORGANIZATIONS, WITHOUT ANY RESTRICTION WHATEVER UPON OR SPECIFIC DESIGNATION FOR THE APPLICATIONS OF THE PROCEEDS OF THE CONTRIBUTIONS BY THE DONOR ORGAINIZATION

NOTE 2 THE DONEE ORGANIZATIONS LISTED ABOVE ARE NOT RELATED BY BLOOD, MARRIAGE, ADOPTION, EMPLOYMENT OR OTHERWISE TO ANY PERSON HAVING AN INTEREST IN THE DONOR ORGANIZATION

NOTE 3 ALL OF THE ABOVE LISTED CHARITIES ARE PUBLIC CHARITIES