



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



Form **990-PF**Department of the Treasury
Internal Revenue Service**Return of Private Foundation**
or Section 4947(a)(1) Trust Treated as Private Foundation

OMB No 1545-0052

2015

Open to Public Inspection

- ▶ 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.

For calendar year 2015 or tax year beginning , and ending

Name of foundation KENNETH & LELA HARKLESS FOUNDATION INC C/O JAMES CASKEY			A Employer identification number 31-0934821	
Number and street (or P O box number if mail is not delivered to street address) 156 EMS T36 LANE		Room/suite	B Telephone number (see instructions) (574) 453-3999	
City or town LEESBURG	State IN	ZIP code 46538		
Foreign country name		Foreign province/state/county	Foreign postal code	
G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change				
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation				
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 1,718,113		J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____		
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>				

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)
1	Contributions, gifts, grants, etc., received (attach schedule)				
2	Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	45,124	45,124	45,124	
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	32,505			
b	Gross sales price for all assets on line 6a	325,417			
7	Capital gain net income (from Part IV, line 2)				
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) SEE STMT 1	241	241	241	
12	Total. Add lines 1 through 11	77,870	77,870	45,365	
13	Compensation of officers, directors, trustees, etc				
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule) SEE STMT 2	44	44	44	
b	Accounting fees (attach schedule) SEE STMT 3	715	715	715	
c	Other professional fees (attach schedule)				
17	Interest				
18	Taxes (attach schedule) (see instructions)	3,796	3,796	3,796	
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule) SEE STMT 5	6,552	6,552	6,552	
24	Total operating and administrative expenses. Add lines 13 through 23	11,107	11,107	11,107	0
25	Contributions, gifts, grants paid	95,000			95,000
26	Total expenses and disbursements. Add lines 24 and 25	106,107	11,107	11,107	95,000
27	Subtract line 26 from line 12				
a	Excess of revenue over expenses and disbursements	-28,237			
b	Net investment income (if negative, enter -0-)		66,763		
c	Adjusted net income (if negative, enter -0-)			34,258	

For Paperwork Reduction Act Notice, see instructions

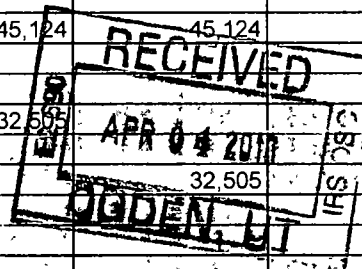
Form **990-PF** (2015)

HTA

SCANNED APR 06 2016

Revenue

Operating and Administrative Expenses



9/8 72

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	8,529	11,128	11,128
	2	Savings and temporary cash investments		35,997	35,980
	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) SEE STMT 6	524,510	547,250	839,543
	c	Investments—corporate bonds (attach schedule) SEE STMT 7	925,963	836,390	831,462
	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)	1,459,002	1,430,765	1,718,113
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. <input type="checkbox"/>			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>			
	27	Capital stock, trust principal, or current funds	1,680,522	1,680,522	
	28	Paid-in or capital surplus, or land, bldg, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	-221,520	-249,757	
	30	Total net assets or fund balances (see instructions)	1,459,002	1,430,765	
	31	Total liabilities and net assets/fund balances (see instructions)	1,459,002	1,430,765	

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	1,459,002
2	Enter amount from Part I, line 27a	2	-28,237
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,430,765
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,430,765

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	LONG-TERM GAINS - EDWARD JONES	P	VARIOUS	VARIOUS
b	LONG-TERM GAINS - FARMERS STATE BANK	P	VARIOUS	VARIOUS
c	CAPITAL GAIN DISTRIBUTIONS	P	VARIOUS	VARIOUS
d	SHORT-TERM LOSSES - EDWARD JONES	P	VARIOUS	VARIOUS
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 167,000		172,192	-5,192
b 102,410		82,488	19,922
c 19,007			19,007
d 37,000		38,232	-1,232
e			

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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			-5,192
b			19,922
c			19,007
d			-1,232
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	32,505
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	-1,232

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))
2014	84,250	1,885,322	0.044687
2013	79,500	1,722,297	0.046159
2012	80,000	1,630,939	0.049051
2011	83,964	1,623,862	0.051706
2010	82,779	1,618,609	0.051142

2 Total of line 1, column (d)	2	0.242745
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	0.048549
4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	1,752,118
5 Multiply line 4 by line 3	5	85,064
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	668
7 Add lines 5 and 6	7	85,732
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions	8	95,000

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1		668
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		668
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		668
6	Credits/Payments			
a	2015 estimated tax payments and 2014 overpayment credited to 2015	6a	1,900	
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		1,900
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> 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		0
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		1,232
11	Enter the amount of line 10 to be Credited to 2016 estimated tax 1,232 Refunded	11		0

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation ▶ \$ _____ (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? <i>If "Yes," attach a detailed description of the activities</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?		X
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2015 or the taxable year beginning in 2015 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	X	
14	The books are in care of ► JAMES CASKEY Telephone no ► (574) 453-3999 Located at ► 156 EMS T36 LANE LEESBURG, IN ZIP+4 ► 46538			
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 2015, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ►	16	Yes	No X

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)–(6) did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>	1b	N/A
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2015?	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 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ► 20____, 20____, 20____, 20____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions)	2b	N/A
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► 20____, 20____, 20____, 20____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2015 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 2015)	3b	N/A
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2015?	4b	X

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

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

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 8		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

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 N/A	
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 N/A	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3 ▶	

0

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	1,750,973
b	Average of monthly cash balances	1b	27,827
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	1,778,800
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	1,778,800
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	26,682
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,752,118
6	Minimum investment return. Enter 5% of line 5	6	87,606

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	87,606
2a	Tax on investment income for 2015 from Part VI, line 5	2a	668
b	Income tax for 2015 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	668
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	86,938
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	86,938
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	86,938

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	95,000
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	95,000
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	668
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	94,332

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 2014	(c) 2014	(d) 2015
1 Distributable amount for 2015 from Part XI, line 7				86,938
2 Undistributed income, if any, as of the end of 2015				
a Enter amount for 2014 only			0	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2015				
a From 2010				
b From 2011				14
c From 2012				217
d From 2013				
e From 2014				
f Total of lines 3a through e	231			
4 Qualifying distributions for 2015 from Part XII, line 4 ▶ \$ 95,000				
a Applied to 2014, 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 2015 distributable amount				86,938
e Remaining amount distributed out of corpus	8,062			
5 Excess distributions carryover applied to 2015 (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	8,293			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount—see instructions				
e Undistributed income for 2014 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2015 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2016				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 2010 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a	8,293			
10 Analysis of line 9				
a Excess from 2011				14
b Excess from 2012				217
c Excess from 2013				
d Excess from 2014				
e Excess from 2015				8,062

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 SEE STATEMENT 10				95,000
Total			3a	95,000
b Approved for future payment				
Total			3b	0

STATEMENT 1

FORM 990-PF, PART I, LINE 11

	(a) EXPENSES PER BOOKS	(b) NET INVESTMENT INCOME	(c) ADJUSTED NET INCOME	(d) CHARITABLE PURPOSES
MISCELLANEOUS INCOME	\$ 241.00	\$ 241.00	\$ 241.00	
	\$ 241.00	\$ 241.00	\$ 241.00	\$ -

STATEMENT 2

FORM 990-PF, PART I, LINE 16a

	(a) EXPENSES PER BOOKS	(b) NET INVESTMENT INCOME	(c) ADJUSTED NET INCOME	(d) CHARITABLE PURPOSES
LEGAL FEES	\$ 44.00	\$ 44.00	\$ 44.00	
	\$ 44.00	\$ 44.00	\$ 44.00	\$ -

STATEMENT 3

FORM 990-PF, PART I, LINE 16b

	(a) EXPENSES PER BOOKS	(b) NET INVESTMENT INCOME	(c) ADJUSTED NET INCOME	(d) CHARITABLE PURPOSES
TAX PREPARATION FEES	\$ 715.00	\$ 715.00	\$ 715.00	
	\$ 715.00	\$ 715.00	\$ 715.00	\$ -

STATEMENT 4

FORM 990-PF, PART I, LINE 18

	(a) EXPENSES PER BOOKS	(b) NET INVESTMENT INCOME	(c) ADJUSTED NET INCOME	(d) CHARITABLE PURPOSES
INCOME TAXES	\$ 3,796.00	\$ 3,796.00	\$ 3,796.00	
	\$ 3,796.00	\$ 3,796.00	\$ 3,796.00	\$ -

STATEMENT 5

FORM 990-PF, PART I, LINE 23

	(a) EXPENSES PER BOOKS	(b) NET INVESTMENT INCOME	(c) ADJUSTED NET INCOME	(d) CHARITABLE PURPOSES
INVESTMENT FEES	\$ 6,552.00	\$ 6,552.00	\$ 6,552.00	
	\$ 6,552.00	\$ 6,552.00	\$ 6,552.00	\$ -

FEDERAL STATEMENTS
KENNETH & LELA HARKLESS FOUNDATION INC
C/O JAMES CASKEY
31-0934821 2015

STATEMENT 6

FORM 990-PF, PART II, LINE 10b

	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCKS	COST	\$ 547,250.00	\$ 839,543.00
	TOTAL	<u>\$ 547,250.00</u>	<u>\$ 839,543.00</u>

STATEMENT 7

FORM 990-PF, PART II, LINE 10c

	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS	COST	\$ 836,390.00	\$ 831,462.00
	TOTAL	<u>\$ 836,390.00</u>	<u>\$ 831,462.00</u>

STATEMENT 8

FORM 990-PF, PART VIII, LINE 1

LIST OF OFFICERS, DIRECTORS, TRUSTEES & KEY EMPLOYEES

NAME AND ADDRESS	TITLE & AVG HOURS PER WEEK DEVOTED	COMPENS- ATION	CONTRIBUTION TO EBP & DC	EXPENSE ACCT/OTHER
JAMES CASKEY 156 EMS T36 LANE LEESBURG, IN 46538	PRESIDENT 0	\$ -	\$ -	\$ -
PAT APPENZELLER 11739 N SR 13 SYRACUSE, IN 46567	DIRECTOR 0	\$ -	\$ -	\$ -
GERRY BYLAND 4571 SHADY LANE SYRACUSE, IN 46567	SECRETARY 0	\$ -	\$ -	\$ -
STEPHEN SNYDER 200 W MAIN ST SYRACUSE, IN 46567	DIRECTOR 0	\$ -	\$ -	\$ -
LARRY SIEGAL 609 E NORTSHORE DR SYRACUSE, IN 46567	DIRECTOR 0	\$ -	\$ -	\$ -
	TOTAL	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

FEDERAL STATEMENTS
KENNETH & LELA HARKLESS FOUNDATION INC
C/O JAMES CASKEY
31-0934821 2015

STATEMENT 9

FORM 990-PF, PART XV, LINE 2a-d

APPLICATION SUBMISSION INFORMATION

NAME OF GRANT PROGRAM:

NAME:

KENNETH & LELA HARKLESS FUND

CARE OF:

JAMES CASKEY

STREET ADDRESS:

156 EMS T36 LANE

CITY, STATE, ZIP CODE:

LEESBURG, IN 46538

TELEPHONE:

FORM & CONTENT:

LETTER OF REQUEST - INCLUDE COPY OF 501(C)(3) LETTER
ROLLING

SUBMISSION DEADLINES:

ROLLING

RESTRICTIONS ON AWARDS:

NONE

STATEMENT 10

FORM 990-PF, PART XV, LINE 3a

RECIPIENTS PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND- ATION STATUS	PURPOSE OF GRANT	AMOUNT
SYRACUSE-WAWASEE ROTARY SYRACUSE, IN 46567	NONE	501(C)(3)	CHARITABLE	\$ 9,400.00
SYRACUSE CEMETERY ASSN 402 N HARRISON ST SYRACUSE, IN 46567	NONE	501(C)(3)	BEAUTIFICATION & MAINTENANCE OF CEMETERY	9,000.00
TEEN PARENTS SUCCEEDING PO BOX 212 SYRACUSE, IN 46567	NONE	501(C)(3)	SUPPORT TEENS	9,000.00
SYRACUSE WAWASEE TRAIL SYRACUSE, IN 46567	NONE	501(C)(3)	COMMUNITY TRAIL	13,500.00
FORT WAYNE PHILHARMONIC FORT WAYNE, IN	NONE	501(C)(3)	SUPPORT THE ARTS	1,000.00

FEDERAL STATEMENTS
KENNETH & LELA HARKLESS FOUNDATION INC
C/O JAMES CASKEY
31-0934821 2015

STATEMENT 10 (CONTINUED)

FORM 990-PF, PART XV, LINE 3a

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND- ATION STATUS	PURPOSE OF GRANT	AMOUNT
LAKELAND LEARNING CENTER SYRACUSE, IN	NONE	501(C)(3)	PROGRAM SUPPORT	6,300.00
TOWN OF SYRACUSE SYRACUSE, IN	NONE	501(C)(3)	BEAUTIFICATION OF THE TOWN	4,500.00
SYRACUSE WAWASEE CHAMBER OF COMMERCE SYRACUSE, IN 46567	NONE	501(C)(3)	COMMUNITY GRANT	4,500.00
SYRACUSE WAWASEE HISTORICAL SOCIETY SYRACUSE, IN 46567	NONE	501(C)(3)	PROGRAM SUPPORT	11,250.00
REAL SERVICES SYRACUSE, IN 46567	NONE	501(C)(3)	PROGRAM SUPPORT	4,500.00
SYRACUSE PARKS DEPT SYRACUSE, IN 46567	NONE	501(C)(3)	PUBLIC PARK SUPPORT	9,900.00
LAKELAND YOUTH CENTER SYRACUSE, IN 46567	NONE	501(C)(3)	PROGRAM SUPPORT	5,400.00
TOUR DES LAKES BIKE RIDE SYRACUSE, IN 46567	NONE	SUBDIVISION ACTIVITY/CHAMBER	PROGRAM SUPPORT	2,250.00
SYRACUSE WAWASSEE GARDEN CLUB SYRACUSE, IN 46567	NONE	501	COMMUNITY PROJECT	4,500.00
TOTAL				<u>\$ 95,000.00</u>