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

2015

Open to Public Inspection

For calendar year 2015 or tax year beginning , 2015, and ending , 20

Name of foundation: ARMSTRONG MCDONALD FOUNDATION

A Employer identification number: 36-3458711

Number and street (or PO box number if mail is not delivered to street address): PO BOX 70110 | Room/suite:

B Telephone number (see instructions): (520)742-2667

City or town, state or province, country, and ZIP or foreign postal code: Tucson, AZ 85755

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) ▶ $ 17,963,516

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))

	Line	Description	(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	340,711	340,711	340,711	
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	1,549,584			
	b	Gross sales price for all assets on line 6a 10,088,669				
	7	Capital gain net income (from Part IV, line 2)		1,549,584		
	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)				
	12	**Total.** Add lines 1 through 11	1,890,295	1,890,295	340,711	
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) STM107	75	38	37	38
	b	Accounting fees (attach schedule) STM108	15,445	7,723	7,722	7,723
	c	Other professional fees (attach schedule) STM109	67,427	67,427	67,427	
	17	Interest				
	18	Taxes (attach schedule) (see instructions) STM110	18,119			
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy	1,208	604	604	604
	21	Travel, conferences, and meetings	2,026	1,013	1,013	1,013
	22	Printing and publications				
	23	Other expenses (attach schedule) STM103	2,471	1,560	911	914
	24	**Total operating and administrative expenses.** Add lines 13 through 23	106,771	78,365	77,714	10,292
	25	Contributions, gifts, grants paid	1,100,233			1,100,233
	26	**Total expenses and disbursements.** Add lines 24 and 25	1,207,004	78,365	77,714	1,110,525
	27	Subtract line 26 from line 12.				
	a	**Excess of revenue over expenses and disbursements**	683,291			
	b	**Net investment income** (if negative, enter -0-)		1,811,930		
	c	**Adjusted net income** (if negative, enter -0-)			262,997	

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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	(c) Fair Market Value
Assets 1	Cash - non-interest-bearing			
2	Savings and temporary cash investments	1,261,234	516,745	516,745
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	5,008		
10a	Investments - U S and state government obligations (attach schedule)			
b	Investments - corporate stock (attach schedule) STM137	10,273,718	11,714,181	14,276,066
c	Investments - corporate bonds (attach schedule) STM138	3,298,121	3,296,557	3,170,705
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)	14,838,081	15,527,483	17,963,516
Liabilities 17	Accounts payable and accrued expenses		6,111	
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	6,111	
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	14,838,081	15,521,372	
30	**Total net assets or fund balances** (see instructions)	14,838,081	15,521,372	
31	**Total liabilities and net assets/fund balances** (see instructions)	14,838,081	15,527,483	

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	14,838,081
2	Enter amount from Part I, line 27a	2	683,291
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	15,521,372
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	15,521,372

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 STMT 13-SCHWAB GAIN/LOSS RPT	P	06-30-1999	12-31-2015
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	10,088,669		8,539,085	1,549,584
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				1,549,584
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** 1,549,584

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** (60,068)

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	971,667	15,534,126	0.06255
2013	940,266	16,377,477	0.057412
2012	906,540	15,565,786	0.058239
2011	908,224	15,602,248	0.058211
2010	780,214	14,825,696	0.052626

2	**Total** of line 1, column (d)	2	0.289039
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	0.057808
4	Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	16,051,600
5	Multiply line 4 by line 3	5	927,911
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	18,119
7	Add lines 5 and 6	7	946,030
8	Enter qualifying distributions from Part XII, line 4	8	1,110,525

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 ▶ [X] and enter 1% of Part I, line 27b	1	18,119
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	18,119
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	18,119
6	Credits/Payments		
a	2015 estimated tax payments and 2014 overpayment credited to 2015 — 6a: 12,008		
b	Exempt foreign organizations - tax withheld at source — 6b:		
c	Tax paid with application for extension of time to file (Form 8868) — 6c: 7,000		
d	Backup withholding erroneously withheld — 6d:		
7	Total credits and payments Add lines 6a through 6d	7	19,008
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	889
11	Enter the amount of line 10 to be **Credited to 2016 estimated tax** ▶ 889 **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		
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) ▶ AZ			
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 2015 or the taxable year beginning in 2015 (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 ▶ WWW.ARMSTRONGMCDONALDFOUNDATION.ORG

14 The books are in care of ▶ MICHAEL J BOUCHARD Telephone no ▶ 520-742-2667

Located at ▶ 12549 N LA CHOLLA BLVD, TUCSON, AZ ZIP+4 ▶ 85742

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 |

			Yes	No
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?	16		X
	See the instructions for exceptions and filing requirements for FinCEN Form 114 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 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? ☐ 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		X
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 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		
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)

			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**		X
	If "Yes" to 6b, file Form 8870			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No			
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	**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 See 990 OFOV	(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
LAURIE L BOUCHARD 12459 N LA CHOLLA BLVD, AZ 85742	PRESIDENT 0.00	0	0	0
RYAN M BOUCHARD 12549 N LA CHOLLA BLVD, AZ 85742	VICE PRESIDENT 0.00	0	0	0
CORBY L LUST 12549 N LA CHOLLA BLVD, AZ 85742	VICE PRESIDENT 0.00	0	0	0
TODD MCDONALD 12549 N LA CHOLLA BLVD, AZ 85742	VICE PRESIDENT 0.00	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
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	
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	16,677,620
b	Average of monthly cash balances	1b	484,505
c	Fair market value of all other assets (see instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	17,162,125
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	17,162,125
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions) STM159	4	1,110,525
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	16,051,600
6	**Minimum investment return.** Enter 5% of line 5	6	802,580

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	802,580
2a	Tax on investment income for 2015 from Part VI, line 5	2a	18,119		
b	Income tax for 2015 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	18,119
3	Distributable amount before adjustments Subtract line 2c from line 1			3	784,461
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	784,461
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	784,461

Part XII **Qualifying Distributions** (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes:		
a	Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1a	1,110,525
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	1,110,525
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	18,119
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	1,092,406

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				784,461
2	Undistributed income, if any, as of the end of 2015				
a	Enter amount for 2014 only				
b	Total for prior years. ______, ______, ______				
3	Excess distributions carryover, if any, to 2015				
a	From 2010 — 50,539				
b	From 2011 — 132,061				
c	From 2012 — 138,679				
d	From 2013 — 138,112				
e	From 2014 — 206,753				
f	**Total** of lines 3a through e	666,144			
4	Qualifying distributions for 2015 from Part XII, line 4 ▶ $ 1,110,525				
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				784,461
e	Remaining amount distributed out of corpus	326,064			
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	992,208			
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 2014 Subtract line 4a from line 2a Taxable amount - see instructions				
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)	50,539			
9	**Excess distributions carryover to 2016.** Subtract lines 7 and 8 from line 6a	941,669			
10	Analysis of line 9				
a	Excess from 2011 — 132,061				
b	Excess from 2012 — 138,679				
c	Excess from 2013 — 138,112				
d	Excess from 2014 — 206,753				
e	Excess from 2015 — 326,064				

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 2015, 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) 2015	(b) 2014	(c) 2013	(d) 2012	(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))

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

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				
SEE ATTACHED SCHEDULE OF GRANTS PD STATEMENT 11 Tucson, AZ 85737-0110	NONE	PC	CHARITY	1,100,233
Total ▶ 3a				1,100,233
b Approved for future payment				
Total ▶ 3b				

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	340,711	
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	1,546,584	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				1,887,295	

13 **Total.** Add line 12, columns (b), (d), and (e) . . . 13 1,887,295

(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

Michael J Bouchard — Michael J Bouchard — 6/9/16 — Secty/Treas

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
Gregory L Heisey CPA	Gregory Heisey	5-31-16		P00287011
Firm's name ▶ Gregory L Heisey CPA PC			Firm's EIN ▶	
Firm's address ▶ PO Box 36925 Tucson AZ 85740			Phone no 520-742-4697	

Federal Supporting Statements

2015 PG01

Name(s) as shown on return: ARMSTRONG MCDONALD FOUNDATION

FEIN: 36-3458711

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

Statement #137

Category	BOY	Book Value	EOY FMV
SEE ATTACHD SCHWAB INV STMT 13	10,273,718	11,714,181	14,276,066
Totals	**10,273,718**	**11,714,181**	**14,276,066**

PG01

Form 990PF - Part II - Line 10(c)
Investments: Corporate Bond Schedule

Statement #138

Category	BOY	Book Value	EOY FMV
SEE ATTACHD SCHWAB INV STMT 13	3,298,121	3,296,557	3,170,705
Totals	**3,298,121**	**3,296,557**	**3,170,705**

PG01

Form 990PF - Part X - Line 4
Cash Deemed Held for Charitable Activities

Statement #159

SEE STATEMENT 10

Federal Supporting Statements

2015 PG01

Name(s) as shown on return: ARMSTRONG MCDONALD FOUNDATION

Your Social Security Number: 36-3458711

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

Statement #103~

Description	Revenue and expenses	Net investment	Adjusted net income	Charitable purpose
COMPUTER CHARGES	183	92	91	92
INSURANCE	1,271	636	635	636
OFFICE	371	186	185	186
OTHER INVESTMENT COSTS	646	646	0	0
Totals	2,471	1,560	911	914

PG01

Form 990PF - Part I - Line 16(a) - Legal Fees Schedule

Statement #107~

Description	Revenue and expenses	Net investment	Adjusted net income	Charitable purpose
DUFFIELD	75	38	37	38
Totals	75	38	37	38

Federal Supporting Statements

2015 PG01

Name(s) as shown on return: ARMSTRONG MCDONALD FOUNDATION

Your Social Security Number: 36-3458711

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

Statement #108~

Description	Revenue and expenses	Net investment	Adjusted net income	Charitable purpose
GREG HEISEY, CPA	15,445	7,723	7,722	7,723
Totals	**15,445**	**7,723**	**7,722**	**7,723**

PG01

Form 990PF - Part I - Line 16(c) - Other Professional Fees Schedule

Statement #109~

Description	Revenue and expenses	Net investment	Adjusted net income	Charitable purpose
SCHWAB	104	104	104	0
HARTLINE	67,323	67,323	67,323	0
Totals	**67,427**	**67,427**	**67,427**	**0**

Federal Supporting Statements

2015 PG01

Name(s) as shown on return

ARMSTRONG MCDONALD FOUNDATION

Your Social Security Number

36-3458711

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

Statement #110~

Description	Revenue and expenses	Net investment	Adjusted net income	Charitable purpose
EXCISE TAX	18,119	0	0	0
Totals	18,119	0	0	0

List of Officers, Directors, Trustees, and Key Employees

1 List all officers, directors, trustees, and key employees for the year even if they were not compensated.

(a) Name and title	(b) Average hours per week devoted to position	(c) Reportable compensation (Form W-2/1099-MISC) (if not paid, enter -0-)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation
MICHAEL J BOUCHARD SECRETARY/TREAS 12549 N LA CHOLLA BLVD, TUCSON, AZ 85742	5.00	0	0	0

STATEMENT 10

Why Cash Balances in Excess of 1.5% of the FMV of the Foundation's Noncharitable Assets Should Be Excluded

Name:	Armstrong McDonald Foundation
Federal ID No.:	36-3458711
Year Ending:	12-31-15

Form 990-PF, Part X, Line 4

In accordance with Reg. 53.4942(a)-2(c)(3)(iv), the above referenced foundation is excluding from its minimum investment return (MIR) calculation a total of $1,110,525 in cash that it deems held for charitable activities. This amount is in excess of 1.5% of the fair market value of the foundation's noncharitable assets. The following information is submitted in support of the exclusion from MIR of this amount:

1. Average Fair Market value of foundation's noncharitable assets: $17,162,125

2. 1.5% of line 1: $257,432

3. Facts and circumstances justifying the exclusion of an amount in excess of the amount on line 2:

The Grants to be paid during 2015 will be	$1,100,233
The 2015 charitable operating and administrative expenses are expected to be	$ 10,292
TOTAL Cash Needed for Expenses & Grants	$1,110,525

ARMSTRONG MCDONALD FOUNDATION 2015 GRANTS

STATEMENT #11

Category	Name of Recipient	Street Address	City	State	Zip Code	Grant Purpose	Amount
Animal Welfare	Zoological Society of San Diego	PO Box 120551	San Diego	CA	92112	Benefits and partial salary for research associate	$56,388
						Category Total	**$ 56,388**
Children and Youth	Big Brothers Big Sisters of the Midlands	10831Old Mill Road, Suite 400	Omaha	NE	68154	Community based mentoring program expenses	$10,000
	Children's Museum of Tucson	200 S. 6th Ave.	Tucson	AZ	85701	School visits, exhibit upgrades and OV courtyard	$63,545
						Category Total	**$73,545**
Education	Bellevue University	1000 Galvin Rd. Soutl	Bellevue	NE	68005	Math Learning Lab computers and furnishings	$79,200
	College of St. Mary	700 Mercy Road	Omaha	NE	68106	Equipment/technology for cadaver lab	$85,000
	College of the Ozarks	PO Box 17	Point Lookout	MO	65726	McDonald School of Nursing, remodel of McDonald Buildings as needed.	$275,000
	Doane College	1014 Boswell Ave.	Crete	NE	68333	Partial funding of Atomic Force Microscope	$40,000
	Hastings College	710 N. Turner Ave.	Hastings	NE	68901	Renovation/update French Memorial Chapel	$75,000
	Omaha Street School	3223 N 45th Street	Omaha	NE	68104	Future Focus Program	$14,000
						Category Total	**$568,200**
	Casa de los Ninos	1101 N. 4th Ave.	Tucson	AZ	85705	Needed healthcare for shelter residents	$30,000
	Cascade Foundation	PO Box 40397	Tucson	AZ	85717	Support services for individuals with various bleeding disorders.	$27,500
	Southern AZ Aids Foundation	375 S Euclid Ave.	Tucson	AZ	85719	Complimentary Therapies Program for aids patients.	$50,000
	TMC Foundation	5301 E Grant Road	Tucson	AZ	85712	Intensive therapy for 4 families with special needs children.	$14,000
							11/9/2015

ARMSTRONG MCDONALD FOUNDATION 2015 GRANTS

STATEMENT #11

Category	Name of Recipient	Street Address	City	State	Zip Code	Grant Purpose	Grant Amount
Health Cont.	U of A Steele Children Research Center	PO Box 245073	Tucson	AZ	85724	Upgrade 7 pieces of equipment that AMF purchased	$69,210
						Category Total	**$190,710**
Relief and Social	Arizona's Children Association	2700 South 8th Ave.	Tucson	AZ	85713	K.A.R.E. Center services for grandparents of children whose parents are incarcerated.	$25,000
	Emerge	2545 E. Adams St.	Tucson	AZ	85716	Expenses of shelter for battered women	$40,000
	UMOM	3333 E. Van Buren St	Phoenix	AZ	85008	Homeless shelter expenses	$10,000
						Category Total	**$75,000**
Special Needs	BLIND, Inc.	100 East 22nd Street	Minneapolis	MN	55404	Upgrading infrastructure of main building	$21,390
	Mosaic	2226 W. Northern Ave Suite C140	Phoenix	AZ	85021	Stand in Gap, Home Improvements and Service Exceller Projects	$75,000
	NW School for Deaf Hard-of-Hearing Children	PO Box 31325	Seattle	WA	98103	Remodel/refurbish playground	$15,000
	Special Olympics	3340 N. Country Club	Tucson	AZ	85345	Mentoring program expenses	$25,000
						Category Total	**$136,390**
						~~Total of 2015 Grants~~	**$ 1,100,233**
		Laurie L. Bouchard	Laurie L. Bouchard				
		Ryan M. Bouchard	Ryan Bouchard				
		Michael J. Bouchard	M J Bouchard				
		Corby L. Lust	Corby L. Lust				
		Todd McDonald	[illegible]				

11/9/2015