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

OMB No. 1545-0052

Department of the Treasury
Internal Revenue Service

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2015

Open to Public Inspection

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

Name of foundation JOSEPH AND SHARON DARCEY FOUNDATION, INC		A Employer identification number 39-1715481
Number and street (or P.O. box number if mail is not delivered to street address) W3298 EAST GATE DRIVE	Room/suite	B Telephone number (see instructions) 920-261-4002
City or town, state or province, country, and ZIP or foreign postal code WATERTOWN, WI 53094-9727		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) ▶ \$ 2,299,264.76	J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____	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	7,457.13	7,457.13		
	4 Dividends and interest from securities	25,333.63	25,333.63		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	5,268.41			
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		5,268.41		
	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	38,059.17	38,059.17	N/A		
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)	2,853.74			2,853.74
	b Accounting fees (attach schedule)	8,480.14	5,330.14		3,150.00
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	1,128.63	328.63		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings	598.26			598.26
	22 Printing and publications				
	23 Other expenses (attach schedule)	10.00			10.00
	24 Total operating and administrative expenses. Add lines 13 through 23	13,070.77	5,658.77	N/A	6,612.00
	25 Contributions, gifts, grants paid	109,500.00			109,500.00
26 Total expenses and disbursements. Add lines 24 and 25	122,570.77	5,658.77	N/A	116,112.00	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	(84,511.60)				
b Net investment income (if negative, enter -0-)		32,400.40			
c Adjusted net income (if negative, enter -0-)			N/A		

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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	End of year ²	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	5,363.98	4,254.30	4,254.30
	2 Savings and temporary cash investments	827,889.79	714,214.46	714,214.46
	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)	878,602.81	908,876.22	1,580,796.00
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment: basis ▶			
Liabilities	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)	1,711,856.58	1,627,344.98	2,299,264.76
	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	1,711,856.58	1,627,344.98	
	30 Total net assets or fund balances (see instructions)	1,711,856.58	1,627,344.98	
	31 Total liabilities and net assets/fund balances (see instructions)	1,711,856.58	1,627,344.98	

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	1,711,856.58
2 Enter amount from Part I, line 27a	2	(84,511.60)
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	1,627,344.98
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	1,627,344.98

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	Capital Gain Dividend-Fidelity Diversified International			
b	Capital Gain Dividend-Vanguard International Explorer			
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 605.89			605.89
b 4,662.52			4,662.52
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			605.89
b			4,662.52
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	5,268.41
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	N/A

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.

(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	117,342.68	2,340,455.69	.05013668
2013	110,189.41	2,205,339.43	.04996483
2012	87,523.29	2,043,581.04	.04282839
2011	105,244.57	2,085,221.98	.05047164
2010	104,643.91	2,010,955.79	.05203690

2 Total of line 1, column (d)	2	.24543844
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	.04908769
4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	2,312,256.85
5 Multiply line 4 by line 3	5	113,503.35
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	324.00
7 Add lines 5 and 6	7	113,827.35
8 Enter qualifying distributions from Part XII, line 4	8	116,112.00

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	324	00
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2		
3	Add lines 1 and 2	3	324	00
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	324	00
6	Credits/Payments:			
a	2015 estimated tax payments and 2014 overpayment credited to 2015	6a	995	59
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	995	59
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	671	59
11	Enter the amount of line 10 to be: Credited to 2016 estimated tax 671 59 Refunded	11		

Part VII-A Statements Regarding Activities

1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	Yes	No
1a			✓
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?		✓
1b			✓
	<i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		
c	Did the foundation file Form 1120-POL for this year?		✓
1c			✓
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ \$ <u>N/A</u> (2) On foundation managers. ▶ \$ <u>N/A</u>		
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ <u>N/A</u>		
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>	2	✓
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes.</i>	3	✓
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	✓
b	If "Yes," has it filed a tax return on Form 990-T for this year?	4b	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>	5	✓
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	✓
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	7	✓
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ Wisconsin		
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>	8b	✓
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>	9	✓
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses.</i>	10	✓

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	✓
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	✓
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	✓
Website address ► N/A		
14 The books are in care of ► Sharon A. Darcey Telephone no. ► 920-261-4002		
Located at ► W3298 East Gate Drive, Watertown, WI ZIP+4 ► 53094-9727		
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	N/A
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	✓
See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ► N/A		

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	N/A
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	✓
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 ► 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? ☐ 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? (<i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2015.</i>)	3b	N/A
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	✓
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	✓

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions) ☐ Yes ☒ No(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No**b** If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? **5b** N/AOrganizations 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? N/A ☐ 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.

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** 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
Schedule Attached	See Schedule	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 ☐

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

Part IX-A Summary of Direct Charitable Activities

Expenses

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

Form **990-PF** (2015)

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	1,600,285.74
b	Average of monthly cash balances	1b	747,183.14
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	2,347,468.88
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	2,347,468.88
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	35,212.03
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,312,256.85
6	Minimum investment return. Enter 5% of line 5	6	115,612.84

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	115,612.84
2a	Tax on investment income for 2015 from Part VI, line 5	2a	324.00
b	Income tax for 2015. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	324.00
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	115,288.84
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	115,288.84
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	115,288.84

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	116,112.00
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	116,112.00
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	324.00
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	115,788.00

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				115,288.84
2 Undistributed income, if any, as of the end of 2015:				
a Enter amount for 2014 only			4,715.40	
b Total for prior years: 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2015:				
a From 2010				
b From 2011				
c From 2012				
d From 2013				
e From 2014				
f Total of lines 3a through e	0			
4 Qualifying distributions for 2015 from Part XII, line 4: ▶ \$ 116,112.00				
a Applied to 2014, but not more than line 2a			4,715.40	
b Applied to undistributed income of prior years (Election required—see instructions)		0		
c Treated as distributions out of corpus (Election required—see instructions)	0			
d Applied to 2015 distributable amount				111,396.60
e Remaining amount distributed out of corpus	0			
5 Excess distributions carryover applied to 2015 (If an amount appears in column (d), the same amount must be shown in column (a).)	0			0
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0			
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		0		
d Subtract line 6c from line 6b. Taxable amount—see instructions		0		
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				3,892.24
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)	0			
8 Excess distributions carryover from 2010 not applied on line 5 or line 7 (see instructions)	0			
9 Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9:				
a Excess from 2011				
b Excess from 2012				
c Excess from 2013				
d Excess from 2014				
e Excess from 2015				

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 **N/A**

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			(e) Total
	(a) 2015	(b) 2014	(c) 2013	(d) 2012	
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 $\frac{2}{3}$ 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).)

Joseph W. Darcey

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:

N/A

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

N/A

c Any submission deadlines:

N/A

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

N/A

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 <i>Paid during the year</i> Schedule Attached				109,500.00
Total			3a	109,500.00
b <i>Approved for future payment</i>				
Total			3b	0

Enter gross amounts unless otherwise indicated.

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			14	7,457.13	
4	Dividends and interest from securities			14	25,333.63	
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	5,268.41	
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)				38,059.17	
13	Total. Add line 12, columns (b), (d), and (e)				38,059.17	38,059.17

(See worksheet in line 13 instructions to verify calculations.)

[illegible]

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 (2) Other assets b Other transactions: (1) Sales of assets to a noncharitable exempt organization (2) Purchases of assets from a noncharitable exempt organization (3) Rental of facilities, equipment, or other assets (4) Reimbursement arrangements (5) Loans or loan guarantees (6) Performance of services or membership or fundraising solicitations c Sharing of facilities, equipment, mailing lists, other assets, or paid employees 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.	Yes	No
1a(1)		✓
1a(2)		✓
1b(1)		✓
1b(2)		✓
1b(3)		✓
1b(4)		✓
1b(5)		✓
1b(6)		✓
1c		✓

[illegible]

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
N/A		

**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.

Signature of officer or trustee

2/22/16
Date

President
Title

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

Paid 
Preparer
Use Only

Print/Type preparer's name

Claude C Held II

Preparer's signature

Philip C. Kelley

Date _____

2-4-16

Check ☒ if self-employed

PTIN

P00111871

Firm's name ► **Claude C Held II, Attorney At Law**

Firm's EIN ▶

Firm's address ► **757 Kathryn Court, Watertown, WI 53098-2201**

Phone no

920-988-7600

JOSEPH AND SHARON DARCEY FOUNDATION, INC.
Schedule Supporting Form 990-PF
Calendar Year 2015

Part I, Lines 16(a) & (b)
Legal & Accounting Fees

A total of \$11,333.88 was paid to Claude C. Held II, Attorney At Law, during the calendar year. He estimates that \$2,853.74 was for legal fees. The remaining \$8,480.14 was for accounting services. He estimates that \$5,330.14 of the accounting fees related to taxable investment income and the balance was for tax preparation and charitable purposes.

Part I, Line 18
Taxes

<u>Description</u>	<u>Amount</u>
2015 Excise Tax	\$ 800.00
Foreign Taxes Paid on Investment Income	<u>328.63</u>
Total	<u>\$1,128.63</u>

Part I, Line 23
Other Expenses

<u>Description</u>	<u>Amount</u>
Filing Fees - Department of Financial Institutions	<u>\$10.00</u>

Part II, Line 10(b)
Investments - Corporate Stock

<u>Description</u>	<u>Book Value</u>	<u>Market Value</u>
Fidelity Diversified Intl Fund - 4,835.585 sh	\$136,187.53	\$ 169,535.61
Vanguard Intl Explorer Fund - 7,443.546 sh	114,389.55	126,168.10
Vanguard Growth Index Adml Fund - 9,226.231 sh	262,484.47	505,320.67
Vanguard Value Index Adml Fund - 10,140.871 sh	196,664.85	322,682.52
Vanguard Mid-Cap Index Adml Fund - 1,083.908 sh	67,185.45	161,198.80
Vanguard Small-Cap Growth Index Adml - 3,389.477 sh	55,041.60	144,832.35
Vanguard Small-Cap Value Index Adml - 3,557.653 sh	<u>76,922.77</u>	<u>151,057.95</u>
Total	<u>\$908,876.22</u>	<u>\$1,580,796.00</u>

Part VIII, Line 1
Information About Officers, Directors, Etc.

<u>Name and Address</u>	<u>Titles</u>
Joseph W. Darcey W3298 East Gate Drive Watertown, WI 53094	President and Director

JOSEPH AND SHARON DARCEY FOUNDATION, INC.
Schedule Supporting Form 990-PF
Calendar Year 2015

Part VIII, Line 1
Information About Officers, Directors, Etc. (Cont.)

<u>Name and Address</u>	<u>Titles</u>
Sharon A. Darcey W3298 East Gate Drive Watertown, WI 53094	Vice President and Director
Charles Corbett N792 N. Water Street Watertown, WI 53098	Vice President and Director
Thomas Kwapil 1205 Amber Lane Watertown, WI 53098	Vice President and Director
Lloyd Holterman W3757 Ebenezer Road Watertown, WI 53094	Vice President and Director
Jon Holthaus 634 West Sturbridge Medina, OH 44256	Secretary and Director
Jack Tobias 869 Brentwood Lane Watertown, WI 53094	Treasurer and Director

Note: All Officers and Directors spend 6-8 hours per year attending meetings. Joseph and Sharon Darcey spend an additional 20+ hours per year. Jack Tobias spends an additional 8+ hours per year on investment matters.

Part XV, Line 3a
Grants & Contributions Paid

<u>Name & Address</u>	<u>Relationship</u>	<u>Fnd. Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
Mount Mercy University 1330 Elmhurst Drive NE Cedar Rapids, IA 52402-4797	N/A	PC	Scholarship Awards	\$ 5,000.00
St. Bernard's Catholic Church 114 South Church Street Watertown, WI 53094	N/A	PC	Interior Campaign	10,000.00

JOSEPH AND SHARON DARCEY FOUNDATION, INC.
 Schedule Supporting Form 990-PF
 Calendar Year 2015

Part XV, Line 3a
Grants & Contributions Paid (Cont.)

<u>Name & Address</u>	<u>Relationship</u>	<u>Fnd. Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
St. Bernard's School Endowment Fund 111 S. Montgomery Street Watertown, WI 53094	N/A	PC	Education Endowment	5,000.00
St. Henry's School Endowment Fund 300 East Cady Street Watertown, WI 53094	N/A	PC	Education Endowment	5,000.00
University of Wisconsin Foundation/College of Agricultural & Life Sciences P.O. Box 8860 Madison, WI 53708-8860	N/A	PC	Dairy Science Scholarship Fund	5,000.00
Watertown Area Cares Clinic, Inc. 415 S. Eighth Street Watertown, WI 53094	N/A	PC	General Use	5,000.00
Watertown Area Community Foundation P.O. Box 351 Watertown, WI 53094	N/A	PC	Chamberland Playground Improvements	2,000.00
Watertown Food Pantry, Inc. 204 N. Tenth Street Watertown, WI 53094	N/A	PC	Food	2,000.00
Watertown Unified School District 111 Dodge Street Watertown, WI 53094	N/A	PC	Scholarship Awards	42,000.00
City of Watertown 106 Jones Street Watertown, WI 53094	N/A	GOV	Lights for Brandt/Quirk Park	20,000.00

Tax ID #39-1715481

JOSEPH AND SHARON DARCEY FOUNDATION, INC.
Schedule Supporting Form 990-PF
Calendar Year 2015

Part XV, Line 3a
Grants & Contributions Paid (Cont.)

<u>Name & Address</u>	<u>Relationship</u>	<u>Fnd. Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
City of Watertown 106 Jones Street Watertown, WI 53094	N/A	GOV	Cameras for Riverside Park	4,500.00
City of Watertown 106 Jones Street Watertown, WI 53094	N/A	GOV	Airport Improvements	<u>4,000.00</u>
Total				<u>\$109,500.00</u>