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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](http://www.irs.gov/form990pf).

**2015**

Open to Public Inspection

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

KRAUSE FAMILY FOUNDATION, INC.  
5225 NORTH IRONWOOD ROAD #109  
GLENDALE, WI 53217

**A** Employer identification number  
39-6044820

**B** Telephone number (see instructions)  
(414) 963-8688

**C** If exemption application is pending, check here ▶

**D 1** Foreign organizations, check here ▶   
**2** Foreign organizations meeting the 85% test, check here and attach computation ▶

**E** If private foundation status was terminated under section 507(b)(1)(A), check here ▶

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

**G** Check all that apply:

Initial return       Initial return of a former public charity  
 Final return       Amended return  
 Address change       Name change

**H** Check type of organization:  Section 501(c)(3) exempt private foundation  
 Section 4947(a)(1) nonexempt charitable trust     Other taxable private foundation

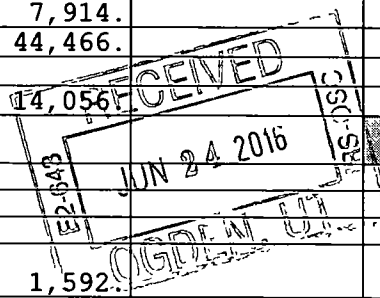
**I** Fair market value of all assets at end of year (from Part II, column (c), line 16)  
▶ \$ 5,330,224.

**J** Accounting method:  Cash     Accrual  
 Other (specify) \_\_\_\_\_  
(Part I, column (d) must be on cash basis.)

<b>Part I Analysis of Revenue and Expenses</b> (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)
<b>REVENUE</b>	<b>1</b> Contributions, gifts, grants, etc. received (attach schedule)				
	<b>2</b> Ck ▶ <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	<b>3</b> Interest on savings and temporary cash investments	2,840.	2,840.		
	<b>4</b> Dividends and interest from securities	116,114.	116,114.		
	<b>5a</b> Gross rents				
	<b>b</b> Net rental income or (loss)				
	<b>6a</b> Net gain or (loss) from sale of assets not on line 10	342,775.			
	<b>b</b> Gross sales price for all assets on line 6a	1,674,662.			
	<b>7</b> Capital gain net income (from Part IV, line 2)		342,775.		
	<b>8</b> Net short-term capital gain				
	<b>9</b> Income modifications				
	<b>10a</b> Gross sales less returns and allowances				
<b>b</b> Less Cost of goods sold					
<b>c</b> Gross profit or (loss) (attach schedule)					
<b>11</b> Other income (attach schedule)					
	SEE STATEMENT 1	6,772.	6,772.		
<b>12 Total.</b> Add lines 1 through 11		468,501.	468,501.	0.	
<b>13</b> Compensation of officers, directors, trustees, etc		0.			
<b>14</b> Other employee salaries and wages					
<b>15</b> Pension plans, employee benefits					
<b>16a</b> Legal fees (attach schedule)					
<b>b</b> Accounting fees (attach sch)	SEE ST 2	8,814.	7,914.		900.
<b>c</b> Other prof fees (attach sch)	SEE ST 3	44,466.	44,466.		
<b>17</b> Interest					
<b>18</b> Taxes (attach schedule)(see instrs)	SEE STM 4	14,056.	14,056.		
<b>19</b> Depreciation (attach schedule) and depletion					
<b>20</b> Occupancy					
<b>21</b> Travel, conferences, and meetings					
<b>22</b> Printing and publications					
<b>23</b> Other expenses (attach schedule)					
	SEE STATEMENT 5	2,105.	1,592.		513.
<b>24 Total operating and administrative expenses</b> Add lines 13 through 23		69,441.	68,028.		1,413.
<b>25</b> Contributions, gifts, grants paid	PART XV	333,000.			333,000.
<b>26 Total expenses and disbursements.</b> Add lines 24 and 25		402,441.	68,028.	0.	334,413.
<b>27</b> Subtract line 26 from line 12:					
<b>a Excess of revenue over expenses and disbursements</b>		66,060.			
<b>b Net investment income</b> (if negative, enter -0-)			400,473.		
<b>c Adjusted net income</b> (if negative, enter -0-)				0.	

SCANNED JUN 11 11:10 2016

ADMINISTRATIVE EXPENSES



G18 5

<b>Part II Balance Sheets</b>		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
<b>A S S E T S</b>	1	Cash – non-interest-bearing				
	2	Savings and temporary cash investments		20,708.	66,902.	66,902.
	3	Accounts receivable ▶	579.			
		Less: allowance for doubtful accounts ▶		1,065.	579.	
	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 sch) ▶				
		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)		3,169,195.	3,162,842.	5,039,987.
	c	Investments – corporate bonds (attach schedule)		135,061.	160,055.	158,383.
	11	Investments – land, buildings, and equipment: basis ▶				
	Less: accumulated depreciation (attach schedule) ▶					
12	Investments – mortgage loans					
13	Investments – other (attach schedule)		70,582.	76,315.	64,952.	
14	Land, buildings, and equipment basis ▶					
	Less: accumulated depreciation (attach schedule) ▶					
15	Other assets (describe ▶)					
16	<b>Total assets</b> (to be completed by all filers – see the instructions. Also, see page 1, item I)		3,396,611.	3,466,693.	5,330,224.	
<b>L I A B I L I T I E S</b>	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, & other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶)				
	23	<b>Total liabilities</b> (add lines 17 through 22)		0.	0.	
<b>N E T A S S E T S / F U N D B A L A N C E S</b>	<b>Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.</b> ▶ <input checked="" type="checkbox"/>					
	24	Unrestricted		2,122,992.	2,193,074.	
	25	Temporarily restricted				
	26	Permanently restricted		1,273,619.	1,273,619.	
	<b>Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.</b> ▶ <input type="checkbox"/>					
	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				
30	<b>Total net assets or fund balances</b> (see instructions)		3,396,611.	3,466,693.		
31	<b>Total liabilities and net assets/fund balances</b> (see instructions)		3,396,611.	3,466,693.		

**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	3,396,611.
2	Enter amount from Part I, line 27a	2	66,060.
3	Other increases not included in line 2 (itemize) ▶ <u>SEE STATEMENT 6</u>	3	16,963.
4	Add lines 1, 2, and 3	4	3,479,634.
5	Decreases not included in line 2 (itemize) ▶ <u>SEE STATEMENT 7</u>	5	12,941.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	3,466,693.

**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 shares MLC Company)

(b) How acquired  
P — Purchase  
D — Donation

(c) Date acquired  
(mo., day, yr.)

(d) Date sold  
(mo., day, yr.)

1 a SEE STATEMENT 8			
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			
b			
c			
d			
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			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss) <span style="float:right">[ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 ]</span>	2	342,775.
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 <span style="float:right">]</span>	3	0.

**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	460,015.	6,211,875.	0.074054
2013	488,581.	5,775,221.	0.084600
2012	525,606.	5,514,905.	0.095306
2011	274,004.	5,621,086.	0.048746
2010	263,912.	5,229,480.	0.050466

2 Total of line 1, column (d)	2	0.353172
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	0.070634
4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	5,702,242.
5 Multiply line 4 by line 3	5	402,772.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	4,005.
7 Add lines 5 and 6	7	406,777.
8 Enter qualifying distributions from Part XII, line 4	8	334,413.

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)**

<b>1 a</b> 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 instrs)		
<b>b</b> Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	<b>1</b>	8,009.
<b>c</b> All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
<b>2</b> Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	<b>2</b>	0.
<b>3</b> Add lines 1 and 2	<b>3</b>	8,009.
<b>4</b> Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	<b>4</b>	0.
<b>5</b> Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	<b>5</b>	8,009.
<b>6</b> Credits/Payments:		
<b>a</b> 2015 estimated tax pmts and 2014 overpayment credited to 2015	<b>6 a</b>	7,200.
<b>b</b> Exempt foreign organizations – tax withheld at source	<b>6 b</b>	
<b>c</b> Tax paid with application for extension of time to file (Form 8868)	<b>6 c</b>	
<b>d</b> Backup withholding erroneously withheld	<b>6 d</b>	
<b>7</b> Total credits and payments. Add lines 6a through 6d	<b>7</b>	7,200.
<b>8</b> Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	<b>8</b>	5.
<b>9</b> Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	<b>9</b>	814.
<b>10</b> Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	<b>10</b>	
<b>11</b> Enter the amount of line 10 to be Credited to 2016 estimated tax. <input type="checkbox"/> Refunded <input type="checkbox"/>	<b>11</b>	

**Part VII-A Statements Regarding Activities**

	Yes	No
<b>1 a</b> 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>b</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
<b>c</b> Did the foundation file <b>Form 1120-POL</b> for this year?		X
<b>d</b> Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ \$ 0. (2) On foundation managers ▶ \$ 0.		
<b>e</b> Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ \$ 0.		
<b>2</b> 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
<b>3</b> 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
<b>4 a</b> Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
<b>b</b> If 'Yes,' has it filed a tax return on <b>Form 990-T</b> for this year?		N/A
<b>5</b> 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
<b>6</b> 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	
<b>7</b> 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	
<b>8 a</b> Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ <u>WI</u>		
<b>b</b> If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If 'No,' attach explanation.</i>	X	
<b>9</b> 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
<b>10</b> 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 <span style="float:right">▶ N/A</span>	13	X	
14	The books are in care of ▶ <u>CHARLES A. KRAUSE</u> Telephone no ▶ <u>(414) 963-8688</u> Located at ▶ <u>5225 N. IRONWOOD SUITE 109 GLENDALE WI</u> ZIP + 4 ▶ <u>53217</u>			
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 <span style="float:right">▶ 15</span>	N/A ▶ <input type="checkbox"/> 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? See the instructions for exceptions and filing requirements for FinCEN Form 114. If 'Yes,' enter the name of the foreign country ▶	16		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
1 a	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 <span style="float:right">▶ <input type="checkbox"/></span>	1 b	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?	1 c	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 <b>not</b> 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)	2 b	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 __ .		
3 a	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.)	3 b	N/A
4 a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	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?	4 b	X

BAA

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

**5 a** During the year did the foundation pay or incur any amount to

(1) Carry on propoganda, 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)?  Yes  No

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) N/A

**6 a** 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?  Yes  No

If 'Yes' to 6b, file Form 8870 6b X

**7 a** 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?  Yes  No

N/A 7b

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

**1** List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
CAROL K. WYTHES 5225 N. IRONWOOD RD SUITE 109 GLENDALE, WI 53217	PRESIDENT 0	0.	0.	0.
CHARLES A. KRAUSE 5225 N. IRONWOOD RD SUITE 109 GLENDALE, WI 53217	SECRETARY/TR 0	0.	0.	0.
VICTORIA KRAUSE MAYER 5225 N. IRONWOOD RD SUITE 109 GLENDALE, WI 53217	ASST. SECRET 0	0.	0.	0.
-----				

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

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

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

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

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
-----		
-----		
-----		
-----		
-----		

Total number of others receiving over \$50,000 for professional services ▶ 0

**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.

BAA



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

<b>1</b> Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
<b>a</b> Average monthly fair market value of securities	<b>1 a</b>	5,470,371.
<b>b</b> Average of monthly cash balances	<b>1 b</b>	318,707.
<b>c</b> Fair market value of all other assets (see instructions)	<b>1 c</b>	
<b>d Total</b> (add lines 1a, b, and c)	<b>1 d</b>	5,789,078.
<b>e</b> Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1 e</b>	0.
<b>2</b> Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0.
<b>3</b> Subtract line 2 from line 1d	<b>3</b>	5,789,078.
<b>4</b> Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	86,836.
<b>5 Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	5,702,242.
<b>6 Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	285,112.

**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.)

<b>1</b> Minimum investment return from Part X, line 6	<b>1</b>	285,112.
<b>2 a</b> Tax on investment income for 2015 from Part VI, line 5	<b>2 a</b>	8,009.
<b>b</b> Income tax for 2015. (This does not include the tax from Part VI.)	<b>2 b</b>	
<b>c</b> Add lines 2a and 2b	<b>2 c</b>	8,009.
<b>3</b> Distributable amount before adjustments Subtract line 2c from line 1	<b>3</b>	277,103.
<b>4</b> Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b> Add lines 3 and 4	<b>5</b>	277,103.
<b>6</b> Deduction from distributable amount (see instructions)	<b>6</b>	
<b>7 Distributable amount</b> as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	<b>7</b>	277,103.

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

<b>1</b> Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b> Expenses, contributions, gifts, etc — total from Part I, column (d), line 26	<b>1 a</b>	334,413.
<b>b</b> Program-related investments — total from Part IX-B	<b>1 b</b>	
<b>2</b> Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b> Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b> Suitability test (prior IRS approval required)	<b>3 a</b>	
<b>b</b> Cash distribution test (attach the required schedule)	<b>3 b</b>	
<b>4 Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	334,413.
<b>5</b> 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)	<b>5</b>	
<b>6 Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	334,413.

**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
<b>1</b> Distributable amount for 2015 from Part XI, line 7				277,103.
<b>2</b> Undistributed income, if any, as of the end of 2015:				
<b>a</b> Enter amount for 2014 only			0.	
<b>b</b> Total for prior years: 20 __, 20 __, 20 __		0.		
<b>3</b> Excess distributions carryover, if any, to 2015				
<b>a</b> From 2010	3,770.			
<b>b</b> From 2011	700.			
<b>c</b> From 2012	254,785.			
<b>d</b> From 2013	212,462.			
<b>e</b> From 2014	163,493.			
<b>f</b> Total of lines 3a through e	635,210.			
<b>4</b> Qualifying distributions for 2015 from Part XII, line 4: \$ 334,413.				
<b>a</b> Applied to 2014, but not more than line 2a			0.	
<b>b</b> Applied to undistributed income of prior years (Election required – see instructions)		0.		
<b>c</b> Treated as distributions out of corpus (Election required – see instructions)	0.			
<b>d</b> Applied to 2015 distributable amount				277,103.
<b>e</b> Remaining amount distributed out of corpus	57,310.			
<b>5</b> Excess distributions carryover applied to 2015 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	692,520.			
<b>b</b> Prior years' undistributed income Subtract line 4b from line 2b		0.		
<b>c</b> 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.		
<b>d</b> Subtract line 6c from line 6b. Taxable amount – see instructions		0.		
<b>e</b> Undistributed income for 2014 Subtract line 4a from line 2a. Taxable amount – see instructions			0.	
<b>f</b> Undistributed income for 2015 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2016				0.
<b>7</b> 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.			
<b>8</b> Excess distributions carryover from 2010 not applied on line 5 or line 7 (see instructions)	3,770.			
<b>9</b> Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a	688,750.			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2011	700.			
<b>b</b> Excess from 2012	254,785.			
<b>c</b> Excess from 2013	212,462.			
<b>d</b> Excess from 2014	163,493.			
<b>e</b> Excess from 2015	57,310.			

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

**1 a** 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)

**2 a** Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

	Tax year				(e) Total
	(a) 2015	(b) 2014	(c) 2013	(d) 2012	
<b>b</b> 85% of line 2a					
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed					
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
<b>3</b> Complete 3a, b, or c for the alternative test relied upon:					
<b>a</b> 'Assets' alternative test – enter:					
<b>(1)</b> Value of all assets					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i)					
<b>b</b> 'Endowment' alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
<b>c</b> 'Support' alternative test – enter:					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
<b>(3)</b> Largest amount of support from an exempt organization					
<b>(4)</b> 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
<i>a Paid during the year</i> SEE ATTACHED STATEMENT VARIOUS MILWAUKEE WI 53202	NONE	PUBLIC	GENERAL OPERATING	333,000.
<b>Total</b>				▶ <b>3 a</b> 333,000.
<i>b Approved for future payment</i>				
<b>Total</b>				▶ <b>3 b</b>



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

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

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

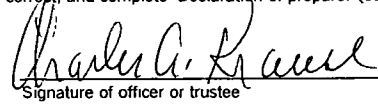
(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
N/A			

**2 a** 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		

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.

**Sign Here**  Date 6/16/16 Title PRESIDENT Sec-Treas

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

<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>JENNIFER BOGLI</b>	Preparer's signature <b>JENNIFER BOGLI</b>	Date <b>6/14/16</b>	Check <input checked="" type="checkbox"/> if self-employed	PTIN <b>P00151743</b>
	Firm's name <b>JAMES L. MOHR &amp; ASSOCIATES LLP</b>	Firm's EIN <b>39-2032480</b>			
	Firm's address <b>10700 RESEARCH DRIVE, SUITE 145 MILWAUKEE, WI 53226</b>	Phone no <b>(414) 302-4020</b>			

## KRAUSE FAMILY FOUNDATION, INC.

39-6044820

**STATEMENT 1**  
**FORM 990-PF, PART I, LINE 11**  
**OTHER INCOME**

	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
OTHER INVESTMENT INCOME	\$ 15,230.	\$ 15,230.	
TAX REFUND	2,824.	2,824.	
MPLX LP	-174.	-174.	
ACCESS MIDSTREAM PARTNERS	-270.	-270.	
ENERGY TRANSFER PARTNERS	-304.	-304.	
WILLIAMS PARTNERS LP	-10,534.	-10,534.	
<b>TOTAL</b>	<b>\$ 6,772.</b>	<b>\$ 6,772.</b>	<b>\$ 0.</b>

**STATEMENT 2**  
**FORM 990-PF, PART I, LINE 16B**  
**ACCOUNTING FEES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING SERVICES	\$ 7,014.	\$ 7,014.		
TAX PREPARATION	1,800.	900.		\$ 900.
<b>TOTAL</b>	<b>\$ 8,814.</b>	<b>\$ 7,914.</b>	<b>\$ 0.</b>	<b>\$ 900.</b>

**STATEMENT 3**  
**FORM 990-PF, PART I, LINE 16C**  
**OTHER PROFESSIONAL FEES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT COUNSELING	\$ 43,481.	\$ 43,481.		
WIRE TRANSFER FEE	175.	175.		
PASS THRU FEES	810.	810.		
<b>TOTAL</b>	<b>\$ 44,466.</b>	<b>\$ 44,466.</b>	<b>\$ 0.</b>	<b>\$ 0.</b>

**STATEMENT 4**  
**FORM 990-PF, PART I, LINE 18**  
**TAXES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAX PAID	\$ 4,737.	\$ 4,737.		
SEVERENCE TAX	2,119.	2,119.		
FEDERAL ESTIMATED TAXES	7,200.	7,200.		
<b>TOTAL</b>	<b>\$ 14,056.</b>	<b>\$ 14,056.</b>	<b>\$ 0.</b>	<b>\$ 0.</b>

## KRAUSE FAMILY FOUNDATION, INC.

39-6044820

**STATEMENT 5**  
**FORM 990-PF, PART I, LINE 23**  
**OTHER EXPENSES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MEETING EXPENSE	\$ 900.	\$ 450.		\$ 450.
OTHER EXPENSES	431.	368.		63.
ADMIN EXPENSE ON ROYALTIES	774.	774.		
<b>TOTAL</b>	<b>\$ 2,105.</b>	<b>\$ 1,592.</b>	<b>\$ 0.</b>	<b>\$ 513.</b>

**STATEMENT 6**  
**FORM 990-PF, PART III, LINE 3**  
**OTHER INCREASES**

BOOK TO TAX PARTNERSHIP DIFFERENCES				\$ 16,963.
<b>TOTAL</b>				<b>\$ 16,963.</b>

**STATEMENT 7**  
**FORM 990-PF, PART III, LINE 5**  
**OTHER DECREASES**

BOND PREMIUM AMORTIZATION				\$ 152.
ROYALTY TRUSTS RETURN OF CAPITAL				12,108.
UNRECONCILABLE DIFFERENCES				681.
<b>TOTAL</b>				<b>\$ 12,941.</b>

**STATEMENT 8**  
**FORM 990-PF, PART IV, LINE 1**  
**CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

ITEM	(A) DESCRIPTION	(B) HOW ACQUIRED	(C) DATE ACQUIRED	(D) DATE SOLD
1	CHARLES SCHWAB	PURCHASED	VARIOUS	VARIOUS
2	CHARLES SCHWAB	PURCHASED	VARIOUS	VARIOUS
3	ENERGY TRANSFER PTNRS	PURCHASED	7/31/2014	1/27/2015
4	WILLIAMS PARTNERS LP	PURCHASED	VARIOUS	12/22/2015
5	WILLIAMS PARTNERS LP	PURCHASED	VARIOUS	VARIOUS
6	CAPITAL GAIN DIVIDENDS			

ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I) - (J)	(L) GAIN (LOSS)
1	1035501.		721,826.	313,675.				\$ 313,675.
2	560,999.		568,697.	-7,698.				-7,698.
3	24,115.		21,271.	2,844.				2,844.
4	6,098.		6,642.	-544.				-544.
5	46,350.		13,451.	32,899.				32,899.
6								1,599.
<b>TOTAL</b>								<b>\$ 342,775.</b>



# KRAUSE FAMILY FOUNDATION

## CONTRIBUTIONS

January 1 through December 31, 2015

Aurora Visiting Nurse Assn. of Wisconsin	2,000
Aurora Zilber Family Hospice	10,000
Betty Brinn Children's Museum	1,000
Boys & Girls Clubs of Greater Milw.- Oper.	6,000
College Possible	1,000
Curative Foundation	3,000
Economics Wisconsin	1,000
Greater Milwaukee Foundation	1,000
The Heartland Institute	1,000
Hope House of Milwaukee Inc.	1,000
Hunger Task Force of Milwaukee	7,000
Independence First	2,000
International Crane Foundation	6,000
Kids From Wisconsin	25,000
Kradwell School - Operating Fund	2,000
Literacy Services of Wisconsin Inc.	1,000
MACC Fund	1,000
Make A Difference - Wisconsin Inc.	1,000
Medical College of Wisconsin	5,000
Milwaukee Art Museum - Operating	2,000
Milwaukee Ballet	1,000
Milwaukee Center for Independence	1,000
Milwaukee Christian Center	3,000
Milwaukee Public Museum, Friends - Operating Fund	25,000
Milwaukee Public Museum, Friends - Vision Fund	10,000
Milwaukee Public Television	1,000
Milwaukee Rescue Mission	5,000
Milwaukee Symphony Friends	35,000
Milwaukee Symphony Orchestra - ACE	5,000
Milwaukee Symphony Orchestra - Principal French Horn Chair	50,000
Milwaukee Tennis & Education Foundation	1,000
Milwaukee Wave of Kindness, Inc.	25,000
Neighborhood House of Milw.Inc.- Oper.	5,000

# KRAUSE FAMILY FOUNDATION

## CONTRIBUTIONS

January 1 through December 31, 2015

OccuPaws	1,000
Our Next Generation Inc.	3,000
Pathfinders - Formerly Rosalie Manor	2,000
PAVE	3,000
Pearls for Teen Girls Inc.	2,000
Riveredge Nature Center	1,000
Running Rebels Community Organization	2,000
Safe & Sound	2,000
Salvation Army	15,000
Schlitz Audubon Nature Center, Friends of	4,000
School Choice Wisconsin	1,000
Skylight Opera Theatre	8,000
Sojourner Family Peace Center	3,000
Ten Chimneys	5,000
United Community Center	3,000
United Performing Arts Fund Inc.	10,000
University School - AIE	7,000
WAGS Inc.	2,000
WMC Foundation - Business World	1,000
Wisconsin Association of Independent Colleges	1,000
Wisconsin Humane Society	3,000
Wisconsin Taxpayers Alliance	2,000
Wisconsin Women's Business Initiative	3,000
Women's Fund of Greater Milwaukee	1,000
Zoological Society - Platypus Society	2,000
	<hr/> <b>333,000</b> <hr/>