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Form 990-PF

Department of the Treasury
Internal Revenue Service

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

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Information about Form 990-PF and its instructions is at www.irs.gov/form990pf.

OMB No 1545-0052

2015

Open to Public Inspection

For calendar year 2015, or tax year beginning 01-01-2015, and ending 12-31-2015

Name of foundation The Kay Family Foundation Inc		A Employer identification number 52-1045650	
Number and street (or P O box number if mail is not delivered to street address) 20300 Seneca Meadows Parkway		B Telephone number (see instructions)	
City or town, state or province, country, and ZIP or foreign postal code Germantown, MD 20876		C If exemption application is pending, check here ☐	
G Check all that apply ☐ Initial return ☐ Final return ☒ Address 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) \$ 17,338,525		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐	
J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify) _____ (Part I, column (d) must be on cash basis.)			

Part I Analysis of Revenue and Expenses <i>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))</i>		Revenue and expenses per (a) books	Net investment (b) income	Adjusted net (c) income	Disbursements for charitable purposes (d) (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	247,081	247,081	
	5a	Gross rents			
	b	Net rental income or (loss) _____			
	6a	Net gain or (loss) from sale of assets not on line 10	24,347		
	b	Gross sales price for all assets on line 6a 52,283			
	7	Capital gain net income (from Part IV, line 2) . . .		24,347	
	8	Net short-term capital gain			
	9	Income modifications			
	10a	Gross sales less returns and allowances			
Operating and Administrative Expenses	b	Less Cost of goods sold			
	c	Gross profit or (loss) (attach schedule)			
	11	Other income (attach schedule)	1,106,535		
	12	Total.Add lines 1 through 11	1,377,963	271,428	
	13	Compensation of officers, directors, trustees, etc			
	14	Other employee salaries and wages			
	15	Pension plans, employee benefits			
	16a	Legal fees (attach schedule).			
	b	Accounting fees (attach schedule).	7,850	7,850	
	c	Other professional fees (attach schedule)			
	17	Interest			
	18	Taxes (attach schedule) (see instructions) . . .			
	19	Depreciation (attach schedule) and depletion . .			
	20	Occupancy			
	21	Travel, conferences, and meetings.			
	22	Printing and publications			
	23	Other expenses (attach schedule).	39,052	39,052	
	24	Total operating and administrative expenses. Add lines 13 through 23	46,902	46,902	0
	25	Contributions, gifts, grants paid	46,710		46,710
	26	Total expenses and disbursements.Add lines 24 and 25	93,612	46,902	46,710
	27	Subtract line 26 from line 12			
	a	Excess of revenue over expenses and disbursements	1,284,351		
	b	Net investment income (if negative, enter -0-)		224,526	
	c	Adjusted net income(if negative, enter -0-) . . .			

Part II		Balance Sheets	Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing				
	2	Savings and temporary cash investments	1,626,907	4,238,853	4,238,853	
	3	Accounts receivable ▶ <u>2,341</u>				
		Less allowance for doubtful accounts ▶ _____	2,388	2,341	2,341	
	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)	7,049,565	7,321,046	10,341,453	
	c	Investments—corporate bonds (attach schedule)	720,802	738,629	728,236	
	11	Investments—land, buildings, and equipment basis ▶ _____				
	Less accumulated depreciation (attach schedule) ▶ _____					
12	Investments—mortgage loans.					
13	Investments—other (attach schedule)	1,627,509	2,259	2,027,642		
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)	11,027,171	12,303,128	17,338,525		
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule).				
	22	Other liabilities (describe ▶ _____)				
	23	Total liabilities(add lines 17 through 22)		0		
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	11,027,171	12,303,128		
	30	Total net assets or fund balances(see instructions)	11,027,171	12,303,128		
	31	Total liabilities and net assets/fund balances(see instructions)	11,027,171	12,303,128		

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	11,027,171		
2	Enter amount from Part I, line 27a	2	1,284,351		
3	Other increases not included in line 2 (itemize) ▶ _____	3			
4	Add lines 1, 2, and 3	4	12,311,522		
5	Decreases not included in line 2 (itemize) ▶ _____	5	8,394		
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	12,303,128		

Part IV

Capital Gains and Losses for Tax on Investment Income

List and describe the kind(s) of property sold (e g , real estate, (a) 2-story brick warehouse, or common stock, 200 shs MLC Co)		How acquired P—Purchase (b) D—Donation	Date acquired (c) (mo , day, yr)	Date sold (d) (mo , day, yr)
1a	See Additional Data Table			
b				
c				
d				
e				

(e) Gross sales price	Depreciation allowed (f) (or allowable)	Cost or other basis (g) plus expense of sale	Gain or (loss) (h) (e) plus (f) minus (g)
a See Additional Data Table			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			Gains (Col (h) gain minus col (k), but not less than -0-) or (l) Losses (from col (h))
(i) F M V as of 12/31/69	Adjusted basis (j) as of 12/31/69	Excess of col (i) (k) over col (j), if any	
a See Additional Data Table			
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	24,347
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	

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 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	178,481	16,280,536	0 01096
2013	244,366	13,349,084	0 01831
2012	307,740	5,508,309	0 05587
2011	891,042	4,869,979	0 18297
2010	862,673	5,185,171	0 16637

2	Total of line 1, column (d).	2	0 434476
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 086895
4	Enter the net value of noncharitable-use assets for 2015 from Part X, line 5.	4	16,676,150
5	Multiply line 4 by line 3.	5	1,449,074
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	2,245
7	Add lines 5 and 6.	7	1,451,319
8	Enter qualifying distributions from Part XII, line 4.	8	46,710

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 VIExcise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the 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

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-)

3

Add lines 1 and 2.

4

Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)

5

Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-

6

Credits/Payments

a

2015 estimated tax payments and 2014 overpayment credited to 2015

6a

5,200

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

5,200

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

709

11

Enter the amount of line 10 to be **Credited to 2015 estimated tax** ☐ 709 **Refunded** ☐

11

Part VII-AStatements 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?

1a

No

b

Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)?
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.

1b

No

c

Did the foundation file **Form 1120-POL** for this year?

1c

No

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

No

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

No

4a

Did the foundation have unrelated business gross income of \$1,000 or more during the year?

4a

No

b

If "Yes," has it filed a tax return on **Form 990-T** for this year?

4b

No

5

Was there a liquidation, termination, dissolution, or substantial contraction during the year?
If "Yes," attach the statement required by General Instruction T.

5

No

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

Yes

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

Yes

8a

Enter the states to which the foundation reports or with which it is registered (see instructions):
☐ MD _____

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

Yes

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

No

10

Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses.*

10

No

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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		No
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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶N/A	13	Yes	
14	The books are in care of ▶Lauren Kay Pollin Telephone no ▶ Located at ▶20300 Seneca Meadows Pkwy 202 Germantown MD ZIP+4 ▶20876			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —Check here ▶ ☐ and enter the amount of tax-exempt interest received or accrued during the year ▶	15		
16	At any time during calendar year 2015, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) If "Yes", enter the name of the foreign country ▶	16	Yes	No

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)? ☐ Organizations relying on a current notice regarding disaster assistance check here. ▶ ☐	1b		No
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		No
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		No
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		No
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
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		No

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

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).

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

No

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

No

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	Title, and average hours per week (b) devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances
Lauren K Pollin PO Box 427 Barnesville, MD 20838	President 0 00	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	Title, and average hours per week (b) devoted to position	(c) Compensation	Contributions to employee benefit plans and deferred compensation (d)	Expense account, (e) other allowances
NONE				

Total

number of other employees paid over \$50,000.

▶

Part VIII

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

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

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

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

Part IX-A

Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1	
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	11,184,303
b	Average of monthly cash balances.	1b	2,073,394
c	Fair market value of all other assets (see instructions).	1c	3,672,405
d	Total (add lines 1a, b, and c).	1d	16,930,102
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation).	1e	0
2	Acquisition indebtedness applicable to line 1 assets.	2	
3	Subtract line 2 from line 1d.	3	16,930,102
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	253,952
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	16,676,150
6	Minimum investment return. Enter 5% of line 5.	6	833,808

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	833,808
2a	Tax on investment income for 2015 from Part VI, line 5.	2a	4,491
b	Income tax for 2015 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	4,491
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	829,317
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	829,317
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	829,317

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	46,710
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	46,710
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	
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	46,710

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				829,317
2 Undistributed income, if any, as of the end of 2015				
a Enter amount for 2014 only.				
b Total for prior years 20__, 20__, 20__				
3 Excess distributions carryover, if any, to 2015				
a From 2010.	298,486			
b From 2011.	648,459			
c From 2012.	33,954			
d From 2013.				
e From 2014.				
f Total of lines 3a through e.	980,899			
4 Qualifying distributions for 2015 from Part XII, line 4	\$ 46,710			
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).	0			
d Applied to 2015 distributable amount.				46,710
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2015 (If an amount appears in column (d), the same amount must be shown in column (a).)	782,607			782,607
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	198,292			
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 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2015.				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions).				
8 Excess distributions carryover from 2010 not applied on line 5 or line 7 (see instructions).				
9 Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a.	198,292			
10 Analysis of line 9				
a Excess from 2011.	164,338			
b Excess from 2012.	33,954			
c Excess from 2013.				
d Excess from 2014.				
e Excess from 2015.				

Part XIV

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 organization is a private operating foundation described in section 170(c)(2)(B)(i) or 170(c)(2)(B)(ii): ☐ 170(c)(2)(B)(i) or ☐ 170(c)(2)(B)(ii)

		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 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 organization 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))

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

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

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

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

Lauren Pollin
20300 Seneca Meadows Parkway Suite
Germantown, MD 20876
(301) 589-8045

b The form in which applications should be submitted and information and materials they should include
Letter stating purpose and need of organization

- Any submission deadlines

Rolling

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

None

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

Form **990-PF** (2015)

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	247,081	
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	24,347	
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue a Recovery of Madoff Theft _____			18	1,106,535	
b	_____					
c	_____					
d	_____					
e	_____					
12	Subtotal Add columns (b), (d), and (e). . .				1,377,963	
13	Total. Add line 12, columns (b), (d), and (e). (See worksheet in line 13 instructions to verify calculations)			13		1,377,963

[illegible]

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

List and describe the kind(s) of property sold (e g , real estate, (a) 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	Date acquired (c) (mo , day, yr)	(d) Date sold (mo , day, yr)
125 Apple Computer	P	2012-11-16	2015-04-24
4804 Google Inc	P	2013-04-21	2015-05-19
200 Nike Inc	P	2013-04-21	2015-09-28
97 Synchrony Financial	P	2013-04-21	2015-12-07
100 Walt Disney	P	2013-04-21	2015-04-07
Capital Gain Distributions	P	2010-01-01	2015-12-31

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
16,265		9,429	6,836
259		189	70
24,348		12,171	12,177
31		20	11
10,603		6,127	4,476
777			777

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) 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	
			6,836
			70
			12,177
			11
			4,476
			777

TY 2015 Accounting Fees Schedule**Name:** The Kay Family Foundation Inc**EIN:** 52-1045650**Software ID:** 15000324**Software Version:** 2015v2.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Accounting Fees	7,850	7,850	0	0

TY 2015 Other Decreases Schedule

Name: The Kay Family Foundation Inc

EIN: 52-1045650

Software ID: 15000324

Software Version: 2015v2.0

Description	Amount
Federal Taxes Paid	7,005
Foreign Tax Paid	1,389

TY 2015 Other Expenses Schedule

Name: The Kay Family Foundation Inc

EIN: 52-1045650

Software ID: 15000324

Software Version: 2015v2.0

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Investment Management fees	39,052	39,052		

TY 2015 Other Income Schedule

Name: The Kay Family Foundation Inc

EIN: 52-1045650

Software ID: 15000324

Software Version: 2015v2.0

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
Recovery of Madoff Theft	1,106,535		

Kay Family Foundation
Heritage Stocks
12/31/2015

Stocks	Balance @ 12/31/15		
	Shares	Cost	FMV
3M Co	400 000	42,194	60,256
Air Products & Chemicals	600 000	51,899	78,066
Alcoa Inc	10,000 000	86,978	98,700
Altria Group	2,500 000	86,763	145,525
American Express Co	2,200 000	131,857	153,010
Apache Corp	1,600 000	110,504	71,152
Apple, Inc	1,800 000	121,465	189,468
Archer Daniels	3,500 000	96,404	128,380
AT&T Inc	2,500 000	89,119	86,025
Automatic Data Process (sp)	600 000	34,174	50,832
Bank of America Corp	5,000 000	66,015	84,150
Boeing	400 000	34,917	57,836
Capital One Financial Group	1,200 000	64,824	86,616
Caterpillar Inc	1,000 000	82,139	67,960
CDK Global (ADP Spinoff)	200 000	4,855	9,494
Chemours Co	6,000 000	40,860	32,160
Cisco Systems	5,900 000	122,600	160,215
Coca Cola Co	2,000 000	75,279	85,920
CSX Corp	5,000 000	102,087	129,750
Discover Financial Services	800 000	34,520	42,896
Disney Walt Co	2,200 000	117,289	231,176
Du Pont I De Nemours	2,000 000	82,622	133,200
EMC Corp	4,000 000	96,633	102,720
Express Scripts HLD	1,100 000	64,371	96,151
Exxon Mobil Corp	1,500 000	133,537	116,925
Fedex Corp	900 000	77,462	134,091
Fluor Corp	1,400 000	84,571	66,108
Fortune Brands	600 000	21,560	33,300
Gap Inc	1,000 000	37,098	24,700
General Electric Co	4,260 000	90,435	132,699
Goldman Sachs	600 000	71,262	108,138
Alphabet Inc CL A	175 000	64,183	136,152
Alphabet Inc CL C	175 000	64,163	132,804
Hershey Co	1,000 000	90,370	89,270
Hewlett Packard	1,500 000	15,338	22,800
HP Inc	1,500 000	13,954	17,760
IBM	650 000	122,521	89,453
Intel Corp	3,500 000	78,283	120,575

Ishares MSCI EAFE	2,000 000	116,810	117,440
Ishares Russell 2000	700 000	64,589	78,834
Johnson & Johnson	600 000	50,575	61,632
JP Morgan Chase	1,000 000	49,454	66,030
Lilly Elli & Co	800 000	45,686	67,408
Lockheed Martin	400 000	38,420	86,860
Marriott Intl Inc	2,500 000	92,681	167,600
Mastercard	1,200 000	91,043	116,832
McDonalds Corp	1,000 000	84,020	118,140
Microsoft Corp	4,000 000	112,795	221,920
Monsanto Co	400 000	41,395	39,408
Nike Inc (<i>Stock split 2 1 12/2</i>)	1,800 000	91,467	225,000
Paccar Inc	2,700 000	124,396	127,980
Pepsico Inc	500 000	41,353	49,960
Pfizer Inc	2,000 000	59,655	64,560
Phillip Morris Intl Inc	1,200 000	104,925	105,492
Praxair Inc	700 000	75,614	71,680
Price T Rowe Group	1,200 000	90,558	85,788
Proctor & Gamble Co	1,000 000	69,680	79,410
Qualcomm Inc	1,200 000	76,759	59,892
Raytheon Co	600 000	34,488	74,718
Schlumberger Ltd	1,000 000	71,866	69,750
SPDR S&P Midcap 400 ETF	650 000	132,314	165,126
Synchrony Financial (GE spi	2,037 000	41,899	61,945
TEVA Pharmaceutical ADR	2,600 000	99,917	170,664
Toyota Motor Corp	600 000	61,897	73,824
United Parcel Service	800 000	69,186	76,984
United Technologies Corp	1,000 000	75,276	96,070
Vanguard FTSE EMG ETF	2,500 000	95,840	81,775
Vanguard Small Cap ETF	600 000	52,645	66,384
Verizon Communications	2,800 000	132,633	129,416
Walmart Stores Inc	1,500 000	108,091	91,950
YUM Brands Inc	1,800 000	117,602	131,490
Zimmer Holdings	400 000	29,456	41,036
Zoetis (<i>spinoff Pfizer</i>)	3,000 000	94,843	143,849

5,544,926	7,093,280
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The Kay Family Foundation
EIN 52-1045650
FMV & Cost of Investment Account
12/31/2015

	Cost Basis	Fair Market Value
Corporate Stocks		
Dodge and Cox Funds	171,375	196,186
Heritage - Account # CHHE002043	5,544,926	7,093,280
See Attachment #2 for breakdown of securities		
M & T Bank - 2,413 shares	43,750	292,407
Vanguard - Account # 1341-88043316359	<u>1,560,995</u>	<u>2,759,580</u>
Total	<u><u>7,321,046</u></u>	<u><u>10,341,453</u></u>
Corporate Bonds		
Vanguard - Account # 0084-88043316359	<u><u>738,629</u></u>	<u><u>728,236</u></u>
Partnerships		
Kay Investment Group, LLC	<u><u>2,260</u></u>	<u><u>2,027,642</u></u>