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1512

Form **990-PF**

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

Department of the Treasury
Internal Revenue Service

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

OMB No. 1545-0052

2015

Open to Public Inspection

For calendar year 2015 or tax year beginning Jan 1, 2015, and ending Dec 31, 2015, 20

Name of foundation Lilli Foundation		A Employer identification number 76079331
Attn. Barry Wessels, Corresponding Trustee		B Telephone number (see instructions) 330-289-6578
Number and street (or P.O. box number if mail is not delivered to street address) P. O. Box 51		C If exemption application is pending, check here ☐
City or town, state or province, country, and ZIP or foreign postal code Aurora, OH 44202-0051		D 1. Foreign organizations, 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 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) ► \$	J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____ (Part I, column (d) must be on cash basis.)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(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)	780			
	2 Check ☐ if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	0	0	0	
	4 Dividends and interest from securities	0	0	0	
	5a Gross rents	0	0	0	
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	0			
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		0		
	8 Net short-term capital gain			0	
	9 Income modifications			0	
	10a Gross sales less returns and allowances				
	b Less: Cost of goods sold				
	c Gross profit or (loss) (attach schedule)	0		0	
	11 Other income (attach schedule)	0	0	0	
	12 Total. Add lines 1 through 11	780	0	0	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	0	00	0	0
	14 Other employee salaries and wages	0	0	0	0
	15 Pension plans, employee benefits	0	0	0	0
	16a Legal fees (attach schedule)	270	0	270	270
	b Accounting fees (attach schedule)	0	0	0	0
	c Other professional fees (attach schedule)	0	0	0	0
	17 Interest	0	0	0	0
	18 Taxes (attach schedule) (see instructions)	0	0	0	0
	19 Depreciation (attach schedule) and depletion	0	0	0	
	20 Occupancy	56	0	56	56
	21 Travel, conferences, and meetings	0	0	0	0
	22 Printing and publications	145	0	145	145
	23 Other expenses (attach schedule)	76	0	76	76
	24 Total operating and administrative expenses. Add lines 13 through 23	547	0	547	547
	25 Contributions, gifts, grants paid	1250			1250
	26 Total expenses and disbursements. Add lines 24 and 25	1797	0	1797	1797
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	(1017)			
	b Net investment income (if negative, enter -0-)		0		
	c Adjusted net income (if negative, enter -0-)			0	

For Paperwork Reduction Act Notice, see instructions.

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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	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	4529	4529	4529
	2 Savings and temporary cash investments	0	0	0
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶	0	780	780
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶	0	0	0
	5 Grants receivable	0	0	0
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)	0	0	0
	7 Other notes and loans receivable (attach schedule) ▶			
	Less: allowance for doubtful accounts ▶	0	0	0
	8 Inventories for sale or use	0	0	0
	9 Prepaid expenses and deferred charges	0	0	0
	10a Investments—U.S. and state government obligations (attach schedule)	0	0	0
	b Investments—corporate stock (attach schedule)	0	0	0
	c Investments—corporate bonds (attach schedule)	0	0	0
	11 Investments—land, buildings, and equipment: basis ▶			
	Less: accumulated depreciation (attach schedule) ▶	0	0	0
Liabilities	12 Investments—mortgage loans	0	0	0
	13 Investments—other (attach schedule)	0	0	0
	14 Land, buildings, and equipment: basis ▶			
	Less: accumulated depreciation (attach schedule) ▶	0	0	0
	15 Other assets (describe ▶)	0	0	0
	16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	4529	5309	5309
Net Assets or Fund Balances	17 Accounts payable and accrued expenses	0	547	
	18 Grants payable	0	1250	
	19 Deferred revenue	0	0	
	20 Loans from officers, directors, trustees, and other disqualified persons	0	0	
	21 Mortgages and other notes payable (attach schedule)	0	0	
	22 Other liabilities (describe ▶)	0	0	
Net Assets or Fund Balances	23 Total liabilities (add lines 17 through 22)	0	1797	
	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted	0	3512	
	25 Temporarily restricted	0	0	
	26 Permanently restricted	0	0	
	Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0	0	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0	0	
	29 Retained earnings, accumulated income, endowment, or other funds	0	0	
	30 Total net assets or fund balances (see instructions)	4529	3512	
	31 Total liabilities and net assets/fund balances (see instructions)	4529	5309	

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	4529
2 Enter amount from Part I, line 27a	2	(1017)
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	3512
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	3512

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	N/A			
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	N/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	N/A			
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	
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.

(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			
2013			
2012			
2011			
2010			
2	Total of line 1, column (d)		2
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
4	Enter the net value of noncharitable-use assets for 2015 from Part X, line 5		4
5	Multiply line 4 by line 3		5
6	Enter 1% of net investment income (1% of Part I, line 27b)		6
7	Add lines 5 and 6		7
8	Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.		8 N/A

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	0	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	0	00
3	Add lines 1 and 2	3	0	00
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0	00
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	0	00
6	Credits/Payments:			
a	2015 estimated tax payments and 2014 overpayment credited to 2015	6a		
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	0	00
8	Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	0	00
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0	00
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0	00
11	Enter the amount of line 10 to be: Credited to 2016 estimated tax Refunded	11	0	00

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)?		✓
	<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?		✓
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ \$ _____ (2) On foundation managers. ▶ \$ _____		
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ _____		
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>	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	✓
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) ▶		
b	<i>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</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 ▶		
14 The books are in care of ▶	Telephone no. ▶	
Located at ▶		ZIP+4 ▶
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?	16	✓
See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ▶		

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No		
b If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b	✓
Organizations relying on a current notice regarding disaster assistance check here ▶ ☐		
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2015?	1c	✓
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	✓
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? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2015.)	3b	✓
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	✓
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**

✓

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**

✓

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☐ No**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?**7b**

✓

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

(a) Name and address	(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
Barry W Wessels, 998 Sweet Grass Cir, Aurora, OH 44202	Corresponding Trustee	5 hr/mo 0	0	0
Roger W Wessels, 299 Cheyenne Dr., Fairview, Tx 75069	Trustee	1 hr/mo 0	0	0
Bruce W Wessels, 1054 Miami Rd., Wilmette, IL 60091	Trustee	1 hr/mo 0	0	0
Aimee W Latham 2008 Waterstone Dr. Franklin, TN 37069	Chair, BOD	2 hr/mo 0	0	0
Stacey W Anderson, 701 Dentwood Tr. Prosper, TX 75078	BOD	1 hr/mo 0	0	0
Meredith L Winchell, 8380 Greensboro Dr. Apt 1009 Mclean VA 22102	BOD	1 hr/mo 0	0	0
Brian W Wessels, 998 Sweet Grass Cir, Aurora, OH 44202	BOD	1 hr/mo 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 ☐

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	Per attached Financial spreadsheet with annotation:	
	1. Total gifts received - \$ 780.00 - 6 separate monetary gifts	
2	2. Total grants and donations dispensed - \$ 1250 in 6 grants or donations	
3	- largest grant of \$ 1000 awarded to Jermy Pigot a college-bound high school senior. Announced and awarded in a competitive scholarship program. Application and selection process on file per Web documents and	
4	in previous returns. No COI in selection process was observed and reviewed at annual meeting (May 9, 2016).	

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	N/A	

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	0
b	Average of monthly cash balances	1b	0
c	Fair market value of all other assets (see instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	0
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	0
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	0
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	0
6	Minimum investment return. Enter 5% of line 5	6	0

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	0
2a	Tax on investment income for 2015 from Part VI, line 5	2a	
b	Income tax for 2015. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	N/A
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	N/A
4	Recoveries of amounts treated as qualifying distributions	4	N/A
5	Add lines 3 and 4	5	N/A
6	Deduction from distributable amount (see instructions)	6	N/A
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	0

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	1797
b	Program-related investments—total from Part IX-B	1b	1797
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	0
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	0
b	Cash distribution test (attach the required schedule)	3b	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1797
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	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	0

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				
2 Undistributed income, if any, as of the end of 2015:				
a Enter amount for 2014 only			0	
b Total for prior years: 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2015:				
a From 2010	N/A			
b From 2011	N/A			
c From 2012	N/A			
d From 2013	N/A			
e From 2014	N/A			
f Total of lines 3a through e	0			
4 Qualifying distributions for 2015 from Part XII, line 4: ► \$ <u>1797</u>				
a Applied to 2014, but not more than line 2a			0	
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				0
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				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)	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	0			
b Excess from 2012	0			
c Excess from 2013	0			
d Excess from 2014	0			
e Excess from 2015	0			

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2015, enter the date of the ruling ▶

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

2a 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	Prior 3 years			(e) Total
(a) 2015	(b) 2014	(c) 2013	(d) 2012	
N/A				
b 85% of line 2a				
c Qualifying distributions from Part XII, line 4 for each year listed				
d Amounts included in line 2c not used directly for active conduct of exempt activities				
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c				
3 Complete 3a, b, or c for the alternative test relied upon:				
a "Assets" alternative test—enter:				
(1) Value of all assets				
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)				
b "Endowment" alternative test—enter ^{2/3} of minimum investment return shown in Part X, line 6 for each year listed				
c "Support" alternative test—enter:				
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)				
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)				
(3) Largest amount of support from an exempt organization				
(4) Gross investment income				

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see instructions.) *N/A - At no time were assets above \$5000*

1 Information Regarding Foundation Managers: *-see financial statement*

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:

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:

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
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		✓
	(2) Other assets	1a(2)		✓
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		✓
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		✓
	(3) Rental of facilities, equipment, or other assets	1b(3)		✓
	(4) Reimbursement arrangements	1b(4)		✓
	(5) Loans or loan guarantees	1b(5)		✓
	(6) Performance of services or membership or fundraising solicitations	1b(6)		✓
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		✓
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.			

[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

5/15/16
Date

Corresponding Trustee
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
N/A

Preparer's signature

Date _____

Check ☐ if self-employed

PTIN

Firm's name ▶

Firm's EIN ►

Firm's address ►

Phone no

M-11,12

Supplemental Information

Form 990 – PF – 2015 - The Lilli Foundation – EIN – 76-0794331

May 15, 2016

A) Response to Part IX – A and Part XV – b

1. Board of Directors has approved of Scholarship program for FY 2015 per the outline described in 1023 filing including program announcement through Aurora High School guidance office and their web site. Announcement was also listed on the thelillifoundation.org. Scholarship award (FY 2015) was issued May 12, 2015 for \$ 1000 as described in procedure set forth in 990PF- 2007 filing and as detailed in the Lilli Foundation balance sheet – 2015 attached . Scholarship program in affiliation with Aurora High School, Aurora, OH has been suspended due to the decrease in contribution for FY 2015 going forward. The Board will continue to fund other charitable 501c (3) organizations and does so with enthusiasm.
2. Annual Board meeting was held on May 9, 2016 to review Foundation operation of FY 2015. COI was reviewed by all members of the Board and Trustees of the Foundation and notation of this activity was included in the minutes of the meeting.
3. A financial balance sheet of Foundation's transactions (2015) has been included. Barry W. Wessels and Aimee L. Latham conducted an audit of this spreadsheet. Attn Joseph Sontich, Chagrin Falls, Ohio has also completed an independent audit in August 2015 and summary findings of the Foundation was " Everything continues to be in reasonable order dating since 2007." – letter from Attn. Sontich attached. Board voted at the Annual Meeting to approve the audit and declare the operation and financial sustainability of the Foundation to be sound. Funding activity of outside awards, gifts to 501 (c) (3) organizations and/or scholarships is targeted at maintaining the total Foundation Assets at \$ 3500 a decrease since FY 2014.

<u>Lilli Foundation</u>			<u>Sheet -</u>		<u>2015</u>			
<u>Date</u>	<u>Begin Bal</u>	<u>Expense/Income</u>	<u>Balance</u>	<u>Payment From</u>	<u>From/To</u>	<u>Budget</u>	<u>Purpose</u>	
1/1/2015	\$4,529.24		\$4,529.24	N/A	N/A	yes	FY 2014 Balance going forward	
4/19/2015	\$4,529.24	\$144.87	\$4,384.37	Check- 1073	Startlogic	yes	Prologic Hosting plan and Privacy, Startlogic, 70 Blanchard Rd, 3 rd floor, Burlington,MA 01803	
5/13/2015	\$4,384.37	\$1,000.00	\$3,384.37	Check- 1074	Mr. Jeremy Pigat	Scholarship	Lilli Scholarship Awardee 2015 - , Aurora High School, OH 44202	
6/28/2015	\$3,384.37	\$51.31	\$3,333.06	Check-1075	Barry Wessels	yes	Tax return to IRS, Mailing of scholarship materials, postage - gen'l	
8/22/2015	\$3,333.06	\$24.48	\$3,308.58	Check- 1076	UPS Store	yes	Barnington Plaza, Aurora, Ohio 44202	
8/23/2015	\$3,308.58	\$270.00	\$3,038.58	Check- 1077	Attn. Joseph Sontich	yes	Sontich & Sontich, Attn at Law, 8401 Chagmn Rd , Suite 20B, Chagmn Falls, OH 44023 - Audit	
10/10/2015	\$3,038.58	\$56.00	\$2,982.58	Check- 1078	Postmaster - Aurora	yes	PO Box 51 rent - Aurora	
12/26/2015	\$2,982.58	\$50.00	\$2,932.58	Check- 1079	Wounded Warriors	yes	Wounded Warrior Project, PO Box 758540, Topeka, Kansas 66675	
12/27/2015	\$2,932.58	\$50.00	\$2,882.58	Check - 1080	Marfans Foundation	yes	National Marfans Foundation, 22 Manhasset Ave, Port Washington, NY 11050	
12/27/2015	\$2,882.58	\$50.00	\$2,832.58	Check - 1081	Truckn 4 Troops	yes	Truckn 4 Troops, 955 Generals Hwy, Crownsville, MD 21032	
12/27/2015	\$2,832.58	\$50.00	\$2,782.58	Check - 1082	The Women's Center	yes	133 Park Street, N.E., Vienna, VA 22180	
12/28/2015	\$2,782.58	\$50.00	\$2,732.58	Check - 1083	Habitat for Humanity	yes	HFH, 121 Habitat St, Amencus, GA 31709-3498	
12/31/2015	\$2,732.58	\$0.00	\$2,732.58	Cash	Bruce Wessels	Gift - rec'd	1051 Miami Rd , Wilmette, IL 60091	
12/28/2015	\$2,732.58	-\$500.00	\$3,232.58	Check 4814	Barry Wessels	Gift - rec'd	From Barry Wessels, 998 Sweet Grass Circle, Aurora, OH 44202	
12/10/2015	\$3,232.58	-\$75.00	\$3,307.58	Check 2511	Aimee/Britt L. Latham	Gift - rec'd	From Aimee L. Latham, 2008 Waterstone Dr ,TN 37069	
12/28/2015	\$3,307.58	-\$50.00	\$3,357.58	Check 5946	Roger Wessels	Gift - rec'd	From Roger Wessels, 299 Cheyenne Dr , Fairview, Tx 75069	
12/28/2015	\$3,357.58	-\$75.00	\$3,432.58	Check 305	Meredith/Dillon Winchell	Gift - rec'd	From Meredith L. Wessels, 8235 Pendot Dr # 401, Mdean , VA 22102-3998	
12/28/2015	\$3,432.58	-\$50.00	\$3,437.58	Cash	Brian Wessels	Gift - rec'd	From Brian Wessels, 998 Sweet Grass Circle, Aurora, OH 44202	
12/28/2015	\$3,437.58	-\$75.00	\$3,512.58	Check- 5751	Stacey/Enc. Anderson	Gift - rec'd	From Stacey Anderson 701 Dentwood Trl, Prosper, Tx 75078	

Final Balance = \$3,512.58

31-Dec-15

Sontich & Sontich
Attorneys at Law

Joseph P. Sontich, Jr.
Joseph P. Sontich, Sr.
Of Counsel

Youngstown
330 965 8000

8401 Chagrin Road, Suite 20B
Chagrin Falls, Ohio 44023
440.708.1492
440.543.0314 facsimile
August 23, 2015

Mr. Barry Wessels
The Lilli Foundation
P.O. Box 51
Aurora, Ohio 44202

RE: Review of Lilli Foundation Activity from 2008 to May, 2015

Dear Mr. Wessels:

In follow up to our meeting at your home on August 20, 2015, and at your request I have reviewed the underlying charitable trust of the Lilli Foundation, the federal income tax returns filed by the Foundation for the years 2008 through 2014 (Form 990 PF), and the ledger activity of the Foundation through May 15, 2015.

Everything continues to be in reasonable order dating since 2007. The Foundation has filed federal income tax returns for the calendar years 2008 through 2014 inclusive. Reported revenue provided on the returns ranges from the sum of \$3,520.00 in 2008 to the sum of \$1,360.00 in 2013. The Foundation has made disbursements of contributions, gifts (some in the form of scholarships) during these calendar years ranging from the total amount of \$1,550.00 in 2010 to the total amount of \$1,200.00 in 2008.

The Foundation has issued an annual \$1,000.00 scholarship to a graduating senior from Aurora, Ohio, High School. During the spring of each year, the Foundation has advertised for applications for the annual scholarship. The review committee of the Foundation trustees to consider these scholarships is limited to those trustees residing outside of the State of Ohio, and therefore no potential conflict of interest exists in evaluating scholarship applications. Beyond the annual scholarships issued, and according to Foundation records, no grant applications have been received nor issued. All scholarships and other gifts and contributions are in accordance with Article II under the Foundation's Declaration of Trust dating since 2005, which states the trust's general purpose, and which is materially consistent with the standards by which a charitable entity may receive and maintained tax exempt status under Section 501 (c) (3) of the Internal Revenue Code of 1986. Based upon my review of the documents, the foundation does not have any compensation arrangements nor is involved in any manner with a management organization. Barry Wessels, concurrent with recommendation, has addressed the conflict of

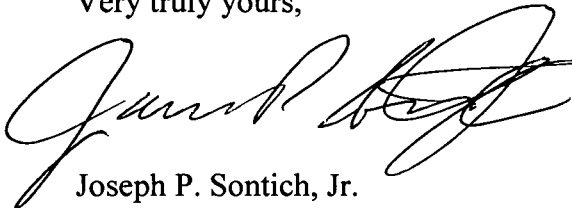
August 20, 2015
Mr. Barry Wessels
Page Two

issues during the foundation's annual meetings and has received signed confirmations of the Foundation's conflict of interest policy annually through 2013, with return of the same pending for 2014.

The Foundation also submitted a completed registration form with the office of the Attorney General of the State of Ohio, the same form dated August 21, 2009. Per letter dated August 27, 2009, the Attorney General's office acknowledged receipt of the Foundation's registration, and assigned it Registration Number 09-1200. According to Barry Wessels, corresponding trustee, the Foundation has filed an annual report in each successive calendar year, but has not had to pay any fee because it has never held more than \$5,000.00 in cash as assets during this period. The undersigned is not aware of any response from the Attorney General's office adverse to the well-being of the Foundation.

Accordingly, my recommendation is that the Foundation continues as it has during these years of review and continues to review and update as appropriate its conflict of interest policy.

Very truly yours,

A handwritten signature in black ink, appearing to read "Joseph P. Sontich, Jr.", written in a cursive style.

Joseph P. Sontich, Jr.
Attorney at Law