

Form **990-PF**

Return of Private Foundation

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

OMB No 1545-0052

2015

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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.

For calendar year 2015 or tax year beginning 10/1/2015, and ending 9/30/2016

Name of foundation PERRY & TERESA PEARSON FOUNDATION INC			A Employer identification number 13-3636275	
Number and street (or P.O. box number if mail is not delivered to street address) Room/suite c/o L. WOLLIN 124 PROSPECT ST			B Telephone number (see instructions) (201) 816-8404	
City or town RIDGEWOOD	State NJ	ZIP code 07450		
Foreign country name Foreign province/state/county Foreign postal code			C If exemption application is pending, check here ☐	
G Check all that apply: ☐ Initial return ☐ Final return ☐ Address change ☐ Initial return of a former public charity ☐ Amended return ☐ Name change			D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐	
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation			E If private foundation status was terminated under section 507(b)(1)(A), check here ☐	
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 2,341,619			J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____	
			F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐	

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check ☐ if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	35,388	35,388		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	85,900			
	b Gross sales price for all assets on line 6a 281,285				
	7 Capital gain net income (from Part IV, line 2)		85,900		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)	-2,233	-2,233			
12 Total. Add lines 1 through 11	119,055	119,055	0		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	1,125			
	c Other professional fees (attach schedule)	12,218	12,218		
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	25			
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	16,914			
	24 Total operating and administrative expenses. Add lines 13 through 23	30,282	12,218	0	0
	25 Contributions, gifts, grants paid	142,725			142,725
26 Total expenses and disbursements. Add lines 24 and 25	173,007	12,218	0	142,725	
27 Subtract line 26 from line 12.					
a Excess of revenue over expenses and disbursements	-53,952				
b Net investment income (if negative, enter -0-)		106,837			
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	2,202		
	2	Savings and temporary cash investments	41,513	-15,505	
	3	Accounts receivable ▶			
		Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶			
		Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U.S. and state government obligations (attach schedule)	202,670	202,670	209,031
	b	Investments—corporate stock (attach schedule)	858,262	922,198	1,476,676
	c	Investments—corporate bonds (attach schedule)	463,874	406,922	415,568
	11	Investments—land, buildings, and equipment: basis ▶			
	Less: accumulated depreciation (attach schedule) ▶				
12	Investments—mortgage loans				
13	Investments—other (attach schedule)				
14	Land, buildings, and equipment: basis ▶				
	Less: accumulated depreciation (attach schedule) ▶				
15	Other assets (describe ▶ See Attached Statement)	238,158	236,442	240,344	
16	Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	1,806,679	1,752,727	2,341,619	
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	0	
Net Assets or Fund Balances		Foundations that follow SFAS 117, check here ☐			
		and complete lines 24 through 26 and lines 30 and 31.			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☒			
		and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	1,806,679	1,752,727	
30	Total net assets or fund balances (see instructions)	1,806,679	1,752,727		
31	Total liabilities and net assets/fund balances (see instructions)	1,806,679	1,752,727		

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,806,679
2	Enter amount from Part I, line 27a	2	-53,952
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,752,727
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,752,727

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	Securities Sales ST	P	1/1/2016	9/30/2016
b	Securities Sales LT	P	1/1/2013	9/30/2016
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 22,114		17,400	4,714
b 259,171		177,985	81,186
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) F M V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			4,714
b			81,186
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	85,900
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	4,714

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	106,403	2,418,163	0.044002
2013	13,200	2,270,566	0.005814
2012	118,620	2,109,360	0.056235
2011	104,951	1,920,055	0.054660
2010	33,150	1,734,765	0.019109

2 Total of line 1, column (d)	2	0.179820
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	0.035964
4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	2,344,102
5 Multiply line 4 by line 3	5	84,303
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,068
7 Add lines 5 and 6	7	85,371
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	142,725

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	1,068
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0
3	Add lines 1 and 2	3	1,068
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	1,068
6	Credits/Payments.		
a	2015 estimated tax payments and 2014 overpayment credited to 2015	6a	2,031
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	1
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	2,032
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	0
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	964
11	Enter the amount of line 10 to be: Credited to 2016 estimated tax 964 Refunded	11	0

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
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
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation. ▶ \$ (2) On foundation managers. ▶ \$		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
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>	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) DE		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2015 or the taxable year beginning in 2015 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>		X
10 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?	13		X
Website address ▶ N/A				
14	The books are in care of ▶ LONNIE E WOLLIN, PC	Telephone no. ▶ 212-785-2610		
	Located at ▶ 124 PROSPECT ST RIDGEWOOD NJ	ZIP+4 ▶ 07632		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here	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	Yes	No
	See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ▶			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
1a	During the year did the foundation (either directly or indirectly):		
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No		
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No		
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No		
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No		
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No		
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? ☐	1b	N/A
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2015?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015? ☐ Yes ☒ No		
	If "Yes," list the years ▶ 20 ____ , 20 ____ , 20 ____ , 20 ____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions.)	2b	N/A
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ 20 ____ , 20 ____ , 20 ____ , 20 ____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No		
b	If "Yes," did it have excess business holdings in 2015 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2015.)	3b	N/A
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2015?	4b	X

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions) ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? **5b** N/A

Organizations relying on a current notice regarding disaster assistance check here ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945–5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** X

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

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **7b** N/A

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
PERRY PEARSON PO BOX 167 OKOBOJI, IA 51355	PRES P/T 1.00	0		
TERESA PEARSON PO BOX 167 OKOBOJI, IA 51355	VP P/T 1.00	0		
LONNIE WOLLIN 124 PROSPECT ST RIDGEWOOD, NJ 07450	SECY P/T 1.00	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	(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	
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	
3 All other program-related investments. See instructions.	
Total. Add lines 1 through 3	0

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	2,323,012
b	Average of monthly cash balances	1b	56,787
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	2,379,799
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	2,379,799
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	35,697
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,344,102
6	Minimum investment return. Enter 5% of line 5	6	117,205

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	117,205
2a	Tax on investment income for 2015 from Part VI, line 5	2a	1,068
b	Income tax for 2015. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,068
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	116,137
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	116,137
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	116,137

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	142,725
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	142,725
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	1,068
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	141,657

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				116,137
2 Undistributed income, if any, as of the end of 2015				
a Enter amount for 2014 only			117,704	
b Total for prior years. 20 ____, 20 ____, 20 ____				
3 Excess distributions carryover, if any, to 2015:				
a From 2010				
b From 2011				
c From 2012				
d From 2013				
e From 2014				
f Total of lines 3a through e	0			
4 Qualifying distributions for 2015 from Part XII, line 4. ► \$ 142,725				
a Applied to 2014, but not more than line 2a			117,704	
b Applied to undistributed income of prior years (Election required—see instructions)				
c Treated as distributions out of corpus (Election required—see instructions)				
d Applied to 2015 distributable amount				25,021
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))				
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				
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			0	
f Undistributed income for 2015. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2016				91,116
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				
10 Analysis of line 9:				
a Excess from 2011				
b Excess from 2012				
c Excess from 2013				
d Excess from 2014				
e Excess from 2015				

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

N/A

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

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

	Tax year	Prior 3 years			(e) Total
	(a) 2015	(b) 2014	(c) 2013	(d) 2012	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					0
b 85% of line 2a					0
c Qualifying distributions from Part XII, line 4 for each year listed					0
d Amounts included in line 2c not used directly for active conduct of exempt activities					0
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					0
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter:					
(1) Value of all assets					0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					0
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)					0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0
(3) Largest amount of support from an exempt organization					0
(4) Gross investment income					0

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).)
-
- 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
-

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a <i>Paid during the year</i> SCHEDULE ATTACHED	N/A	PC	EDUCATIONAL	142,725
Total			3a	142,725
b <i>Approved for future payment</i>				
Total			3b	0

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? | |
| a | Transfers from the reporting foundation to a noncharitable exempt organization of: | |
| | (1) Cash | 1a |
| | (2) Other assets | 1a |
| b | Other transactions | |
| | (1) Sales of assets to a noncharitable exempt organization | 1b |
| | (2) Purchases of assets from a noncharitable exempt organization | 1b |
| | (3) Rental of facilities, equipment, or other assets | 1b |
| | (4) Reimbursement arrangements | 1b |
| | (5) Loans or loan guarantees | 1b |
| | (6) Performance of services or membership or fundraising solicitations | 1b |
| c | Sharing of facilities, equipment, mailing lists, other assets, or paid employees | 1 |
| d | If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received. | |

	Yes	No
1a(1)		X
1a(2)		X
1b(1)		X
1b(2)		X
1b(3)		X
1b(4)		X
1b(5)		X
1b(6)		X
1c		X

[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

**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 Donna Walker Date 15/18/17 Title Secretary

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

**Paid
Preparer
Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
LONNIE WOLLIN		5/12/2017		P01282474
Firm's name ▶	LONNIE E WOLLIN, PC		Firm's EIN ▶	13-3368041
Firm's address ▶	124 PROSPECT STREET, RIDGEWOOD, NJ 07450		Phone no	(201) 816-8404

Part I, Line 11 (990-PF) - Other Income

		-2,233	-2,233	0
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income
1	K-1 LOSS FROM BROOKS LTD	-1,434	-1,434	
2	K-1 LOSS FROM REDHAWK	-799	-799	

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

		1,125	0	0	0
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
1	LONNIE E WOLLIN, PC	1,125			0

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

		12,218	12,218	0	0
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
1	COMPASS CAPITAL- INVESTMENT	12,218	12,218		0

Part I, Line 18 (990-PF) - Taxes

		25	0	0	0
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1	Tax on Investment Income	0			
2	Real Estate Tax	0			
3	Franchise Tax Delaware	25			

Part I, Line 23 (990-PF) - Other Expenses

		16,914	0	0	0
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1	DELAWARE REPRESENTATION FEE	330	0		
2	POSTAGE	66	0		
3	DIRECTOR'S FEE	16,500	0		
4	PRINTING & STATY	18	0		

Part II Line 10b		Column (a)
F/Y/E 9/30/15		
	Description	Cost Basis
370	Accenture PLC SHS	11,838
510	Auto Data Processing	18,098
235	Bard C R Incorporated	17,719
2	Berkshire Hathaway CL A	239,000
346	Berkshire Hathaway B New	27,531
345	CVS Caremark Corp	10,671
500	Danaher Corp Del	19,082
350	Ecolab Inc	17,157
885	Expeditors Intl Wash	31,622
1,000	Fastenal Co	41,824
230	Fedex Corporation	17,601
85	Franklin Resources Inc	4,813
600	Franklin Resources Inc	21,351
450	Illinois Tools Works	21,808
355	Johnson & Johnson	22,245
805	Johnson Controls Inc	23,287
565	Medtronic Inc	43,477
885	Microsoft Corp	25,736
425	Novartis A G Spon ADR F	25,220
810	Oracle Corporation	20,025
440	Proctor & Gamble	27,728
475	Qualcomm Inc	29,793
125	Sherwin Williams	9,240
455	Stryker Corp	24,495
275	Thermo Fisher Scientific	14,067
530	VISA Inc CL A	29,407
165	W W Grainger	39,261
40	Wal-Mart Stores Inc	3,201
455	Wal-Mart Stores Inc	20,966
		858,262
	BONDS	
50,000	City of Madison 2.45%21	50,015
50,000	FFCB 2.33%24	46,279
50,000	Fairmont MN ISD 4.65%18	55,016
50,000	Harris Cnty 4%23	57,491
50,000	Metropolitan Coun 1.9%21	50,323
50,000	N Davis SWR Dist 2%19	50,015
50,000	New York 3.03% Due 10/01/15	50,143
45,000	Nashua N H 3.047%22	47,640
50,000	Wyeth 5.5%16	56,952
		463,874
	TREASURY NOTES	
50,000	US Treas Note 3.5%02/18	52,340
50,000	US Treas Note 3.5%05/20	49,840
50,000	US Treas Note 3%01/17	51,439
50,000	US Treas Note 2.75%02/19	49,051
		202,670
	Total	1,524,806

Part II	Line 10b		
		Column (b)	Column (c)
	F/Y/E 9/30/16		
	Description	Cost Basis	FMV
370	Accenture PLC SHS	11,838	45,203
2	Berkshire Hathaway CL A	239,000	432,440
346	Berkshire Hathaway B New	27,531	49,987
170	C R Bard Incorporated	12,818	38,128
453	Check PT Software	42,511	38,417
875	Cognizant Tech Solu	51,029	41,746
345	CVS Caremark Corp	10,671	30,702
405	Danaher Corp Del	11,798	31,748
350	Ecolab Inc	17,157	42,602
730	Expeditors Intl Wash	24,842	37,610
1,000	Fastenal Co	41,824	41,780
230	Fedex Corporation	17,601	40,176
85	Franklin Resources Inc	3,240	3,023
600	Franklin Resources Inc	22,872	21,342
255	Franklin Resources Inc	9,721	9,070
110	Franklin Resources Inc	4,193	3,913
315	Illinois Tools Works	14,157	37,750
355	Johnson & Johnson	22,245	41,936
1,298	Johnson Controls Int'l	58,619	60,396
435	Medtronic Inc	33,473	37,584
735	Microsoft Corp	21,374	42,336
485	Novartis A G Spon ADR F	30,061	38,296
440	Proctor & Gamble	27,728	39,490
595	Qualcomm Inc	34,809	40,758
125	Sherwin Williams	9,240	34,583
360	Stryker Corp	19,384	41,908
275	Thermo Fisher Scientific	14,067	43,742
450	VISA Inc CL A	24,968	37,215
165	W W Grainger	39,261	37,099
40	Wal-Mart Stores Inc	3,201	2,885
455	Wal-Mart Stores Inc	20,966	32,815
		922,198	1,476,676
	BONDS		
50,000	City of Madison 2.45%21	50,015	52,368
50,000	FFCB 2.33%24	46,279	52,365
50,000	Fairmont MN ISD 4.65%18	55,016	52,001
50,000	Harris Cnty TX 4%23	57,491	56,252
50,000	Metropolitan Coun 1.9%21	50,323	51,016
50,000	N Davis SWR Dist 2%19	50,015	51,004
50,000	New York 3.03% Due 10/01/15	50,143	52,538
45,000	Nashua N H 3.047%22	47,640	48,025
		406,922	415,568
	TREASURY NOTES		
50,000	US Treas Note 3.5%02/18	52,340	51,875
50,000	US Treas Note 3.5%05/20	49,840	54,375
50,000	US Treas Note 3%02/17	51,439	50,516
50,000	US Treas Note 2.75%02/19	49,051	52,266
		202,670	209,031
	Total	1,531,790	2,101,275

P & T PEARSON FOUNDATION INC					
SECURITY GAINS & LOSSES					
FOR THE YEAR ENDED 9/30/16					
PART IV - SHORT TERM					Short Term
Security	# of shs	Date Sold	Cost	Sale	Gain/ (loss)
Fortive Corporation	202	07/13/2016	3,659	10,134	
Check PT Software	160	09/19/2016	13,741	11,980	
TOTAL SHORT TERM GAIN OR (LOSS)			17,400	22,114	4,714
PART IV - LONG TERM					Long Term
Security	# of shs	Date	Cost	Sale	Gain/ (loss)
Auto Data Processing	55	03/22/2016	1,952	4,869	
Auto Data Processing	455	04/11/2016	16,146	41,030	
Bard C R Incorporated	40	03/22/2016	3,016	7,910	
Bard C R Incorporated	25	09/22/2016	1,885	5,677	
Danaher Corp Del	95	03/22/2016	3,625	9,011	
Expeditors Intl Wash	155	09/19/2016	6,780	7,775	
Illinois Tools Works	70	03/22/2016	3,392	7,142	
Illinois Tools Works	65	09/19/2016	4,255	7,626	
Johnson Controls Inc	798	09/06/2016	29,063	41,932	
Medtronic Inc	130	09/19/2016	10,004	11,192	
Microsoft Corp	150	03/22/2016	4,362	8,098	
Oracle Corporation	810	08/22/2016	20,025	33,396	
Qualcomm Inc	110	09/19/2016	6,974	6,942	
Stryker Corp	95	03/22/2016	5,115	9,966	
VISA Inc CL A	80	09/19/2016	4,439	6,605	
Pfizer Incorporated 5 5% Due 02-15-2016	50,000	02/15/2016	56,952	50,000	
TOTAL LONG TERM GAIN OR (LOSS)			177,985	259,171	81,187

Perry & Teresa Pearson Foundation

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[illegible]