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Return of Private Foundation

OMB No 1545-0052

Department of the Treasury
Internal Revenue Service

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

Do not enter social security numbers on this form as it may be made public.

Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf**2016**

Open to Public Inspection

For calendar year 2016 or tax year beginning

, 2016, and ending

, 20

Name of foundation

COVENANT FOUNDATION, INC.

A Employer identification number

31-1225037

Number and street (or P O box number if mail is not delivered to street address)

Room/suite

B Telephone number (see instructions)

3777 WEST FORK RD.

513-661-3100

City or town, state or province, country, and ZIP or foreign postal code

CINCINNATI, OH 45247

G Check all that apply:

☐ Initial return☐ Initial return of a former public charity☐ Final return☐ Amended return☐ Address change☐ Name changeC If exemption application is pending, check here ☐D 1 Foreign organizations, check here ☐2 Foreign organizations meeting the 85% test, check here and attach computation ☐E If private foundation status was terminated under section 507(b)(1)(A), check here ☐F If the foundation is in a 60 month termination under section 507(b)(1)(B), check here ☐

H Check type of organization:

☒ Section 501(c)(3) exempt private foundation☐ Section 4947(a)(1) nonexempt charitable trust☐ Other taxable private foundation

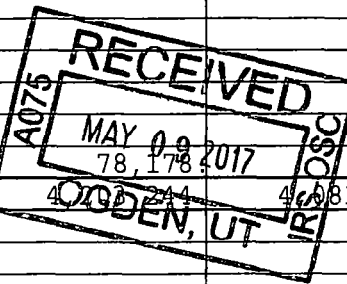
Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 75,351,542.

J Accounting method: ☒ Cash ☐ Accrual☐ Other (specify)

(Part I, column (d) must be on cash basis)

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)
1 Contributions, gifts, grants, etc., received (attach schedule)	43,104.			
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B.				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	1,373,242.	1,373,242.		STMT 1
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	2,708,720.			
b Gross sales price for all assets on line 6a	22,296,853.			
7 Capital gain net income (from Part IV, line 2)		2,708,720.		
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)				STMT 2
12 Total Add lines 1 through 11				
13 Compensation of officers, directors, trustees, etc.				
14 Other employee salaries and wages		NONE	NONE	
15 Pension plans, employee benefits		NONE	NONE	
16a Legal fees (attach schedule)				
b Accounting fees (attach schedule)	888.	444.	NONE	444.
c Other professional fees (attach schedule)				
17 Interest				
18 Taxes (attach schedule) (see instructions)	200.			200.
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings		NONE	NONE	
22 Printing and publications		NONE	NONE	
23 Other expenses (attach schedule)	1,173.	1,173.		
24 Total operating and administrative expenses. Add lines 13 through 23.	2,261.	1,617.	NONE	644.
25 Contributions, gifts, grants paid	2,013,450.			2,013,450.
26 Total expenses and disbursements Add lines 24 and 25	2,015,711.	1,617.	NONE	2,014,094.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	2,187,533.			
b Net investment income (if negative, enter -0-)		4,080,345.		
c Adjusted net income (if negative, enter -0-)				



SCANNED MAY 10 2017

Revenue

Operating and Administrative Expenses

g34

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		9,088,081.	1,276,650.	1,276,650.
	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) ▶ *			238,541.	STMT 46
	Less allowance for doubtful accounts ▶ NONE		3,172,288.	238,541.	238,541.
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges				
	10a Investments - U S and state government obligations (attach schedule)	STMT 7		863,384.	853,790.
	b Investments - corporate stock (attach schedule)	STMT 8	48,219,962.	57,787,326.	65,248,500.
	c Investments - corporate bonds (attach schedule)	STMT 9	3,081,889.	5,697,330.	5,662,419.
	11 Investments - land, buildings, and equipment basis (attach schedule) ▶				
	Less accumulated depreciation ▶				
	12 Investments - mortgage loans				
	13 Investments - other (attach schedule)	STMT 10	2,030,340.	2,073,770.	2,071,642.
	14 Land, buildings, and equipment basis (attach schedule) ▶				
	Less accumulated depreciation ▶				
	15 Other assets (describe ▶)				
	16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)		65,592,560.	67,937,001.	75,351,542.
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)				NONE
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>				
	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. ▶ <input checked="" type="checkbox"/>				
	27 Capital stock, trust principal, or current funds		65,592,560.	67,937,001.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund				
	29 Retained earnings, accumulated income, endowment, or other funds . .				
	30 Total net assets or fund balances (see instructions)		65,592,560.	67,937,001.	
	31 Total liabilities and net assets/fund balances (see instructions)		65,592,560.	67,937,001.	

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	65,592,560.
2 Enter amount from Part I, line 27a	2	2,187,533.
3 Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 11	3	158,191.
4 Add lines 1, 2, and 3	4	67,938,284.
5 Decreases not included in line 2 (itemize) ▶ TIMING DIFFERENCES & ROUNDING ADJUSTMENT	5	1,283.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	67,937,001.

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)
1 a PUBLICLY TRADED SECURITIES					
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 22,291,057.		19,582,337.	2,708,720.		
b					
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			2,708,720.		
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	2,708,720.	
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))
2015	6,472,616.	69,596,668.	0.093002
2014	2,015,487.	73,752,597.	0.027328
2013	1,127,230.	45,318,446.	0.024874
2012	861,057.	18,271,014.	0.047127
2011	938,177.	19,379,113.	0.048412
2 Total of line 1, column (d)			2 0.240743
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 0.048149
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5			4 69,694,693.
5 Multiply line 4 by line 3.			5 3,355,730.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 40,803.
7 Add lines 5 and 6.			7 3,396,533.
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 2,014,094.

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 <input type="checkbox"/> and enter "N/A" on line 1		1	81,607.
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 <input type="checkbox"/> 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-)		2	
3 Add lines 1 and 2		3	81,607.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	NONE
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	81,607.
6 Credits/Payments.			
a 2016 estimated tax payments and 2015 overpayment credited to 2016	6a	26,200.	
b Exempt foreign organizations - tax withheld at source	6b	NONE	
c Tax paid with application for extension of time to file (Form 8868)	6c	NONE	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments Add lines 6a through 6d	7	26,200.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> 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	55,407.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be Credited to 2017 estimated tax <input type="checkbox"/> NONE Refunded <input type="checkbox"/>	11		

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)?		X
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		
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 <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS?		X
If "Yes," attach a detailed description of the activities.		
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		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?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?		X
If "Yes," attach the statement required by General Instruction T.		
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? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> OH		
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	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 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	X	

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)		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)		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ <u>N/A</u>	X	
14 The books are in care of ▶ <u>SEE STATEMENT 12</u> 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 ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year ▶ <u>15</u>		
16 At any time during calendar year 2016, 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?		X
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>		
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 2016?		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 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ _____, _____, _____		
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)		X
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ _____, _____, _____		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2016 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 2016)		
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		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 2016?		X

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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)? ☐ Yes ☒ No
Organizations relying on a current notice regarding disaster assistance check here ☐
- c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☒ No
If "Yes," attach the statement required by Regulations section 53.4945-5(d).
- 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? ☐ Yes ☒ 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? ☐ Yes ☒ No

5b

6b

7b

X

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
TIMOTHY E. JOHNSON	DIRECTOR			
3777 WEST FORK RD., CINCINNATI, OH 45247	1	-0-	-0-	-0-
JANET L. JOHNSON	DIRECTOR			
3777 WEST FORK RD., CINCINNATI, OH 45247	1	-0-	-0-	-0-
TIMOTHY C. GEHNER	DIRECTOR			
3777 WEST FORK RD., CINCINNATI, OH 45247	1	-0-	-0-	-0-
SUSAN R. PAGLIARO	DIRECTOR			
3777 WEST FORK RD., CINCINNATI, OH 45247	1	-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
N/A		-0-	-0-	-0-

Total number of other employees paid over \$50,000 ☐ NONE

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(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
N/A		NONE
Total number of others receiving over \$50,000 for professional services	▶	NONE

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 N/A	
2	
3	
4	

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 NONE	
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	64,753,057.
b	Average of monthly cash balances	1b	6,002,608.
c	Fair market value of all other assets (see instructions).	1c	369.
d	Total (add lines 1a, b, and c)	1d	70,756,034.
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	NONE
3	Subtract line 2 from line 1d	3	70,756,034.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	1,061,341.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	69,694,693.
6	Minimum investment return. Enter 5% of line 5	6	3,484,735.

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	3,484,735.
2a	Tax on investment income for 2016 from Part VI, line 5	2a	81,607.
b	Income tax for 2016. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	81,607.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	3,403,128.
4	Recoveries of amounts treated as qualifying distributions	4	NONE
5	Add lines 3 and 4	5	3,403,128.
6	Deduction from distributable amount (see instructions).	6	NONE
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1.	7	3,403,128.

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	2,014,094.
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	NONE
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	2,014,094.
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	N/A
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	2,014,094.

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 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7				3,403,128.
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only.			206,550.	
b Total for prior years 20 <u>14</u> , 20 <u> </u> , 20 <u> </u>		NONE		
3 Excess distributions carryover, if any, to 2016:				
a From 2011	NONE			
b From 2012	NONE			
c From 2013	NONE			
d From 2014	NONE			
e From 2015	NONE			
f Total of lines 3a through e	NONE			
4 Qualifying distributions for 2016 from Part XII, line 4 ► \$ <u>2,014,094.</u>				
a Applied to 2015, but not more than line 2a			206,550.	
b Applied to undistributed income of prior years (Election required - see instructions)		NONE		
c Treated as distributions out of corpus (Election required - see instructions)	NONE			
d Applied to 2016 distributable amount.				1,807,544.
e Remaining amount distributed out of corpus.	NONE			
5 Excess distributions carryover applied to 2016 . (If an amount appears in column (d), the same amount must be shown in column (a).)	NONE			NONE
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5	NONE			
b Prior years' undistributed income. Subtract line 4b from line 2b.		NONE		
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		NONE		
d Subtract line 6c from line 6b Taxable amount - see instructions		NONE		
e Undistributed income for 2015. 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 2017.				1,595,584.
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)	NONE			
8 Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions)	NONE			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	NONE			
10 Analysis of line 9.				
a Excess from 2012	NONE			
b Excess from 2013	NONE			
c Excess from 2014	NONE			
d Excess from 2015	NONE			
e Excess from 2016	NONE			

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)**NOT APPLICABLE**

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2016, 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)

	Tax year	Prior 3 years			(e) Total
	(a) 2016	(b) 2015	(c) 2014	(d) 2013	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XIII, 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.)**1 Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

NONE

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

NONE

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

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

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

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

c Any submission deadlines:

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

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

Recipient	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
Name and address (home or business)				
a <i>Paid during the year</i> SEE ATTACHED LIST				2,013,450.
Total			▶ 3a	2,013,450.
b <i>Approved for future payment</i>				
Total			▶ 3b	

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income	Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue.					
a _____					
b _____					
c _____					
d _____					
e _____					
f _____					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments .					
4 Dividends and interest from securities			14	1,373,242.	
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	2,708,720.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory . . .					
11 Other revenue. a _____					
b _____			14	78,178.	
c _____					
d _____					
e _____					
12 Subtotal. Add columns (b), (d), and (e)				4,160,140.	
13 Total. Add line 12, columns (b), (d), and (e)					4,160,140.

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

[illegible]

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



- | | | | |
|---|--------------|-----|----|
| 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations? | | Yes | No |
| a Transfers from the reporting foundation to a noncharitable exempt organization of: | | | |
| (1) Cash | 1a(1) | | X |
| (2) Other assets | 1a(2) | | X |
| b Other transactions | | | |
| (1) Sales of assets to a noncharitable exempt organization | 1b(1) | | X |
| (2) Purchases of assets from a noncharitable exempt organization. | 1b(2) | | X |
| (3) Rental of facilities, equipment, or other assets | 1b(3) | | X |
| (4) Reimbursement arrangements | 1b(4) | | X |
| (5) Loans or loan guarantees | 1b(5) | | X |
| (6) Performance of services or membership or fundraising solicitations | 1b(6) | | X |
| c Sharing of facilities, equipment, mailing lists, other assets, or paid employees | 1c | | X |
| d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received. | | | |

[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

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign Here  5/3/2017 

Signature of officer or trustee Date 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 DENISE L JOHNSON	Preparer's signature <i>Denise L Johnson</i>	Date 04/29/2017	Check <input type="checkbox"/> if self-employed	PTIN P00021938
Firm's name ▶ FIDUCIARY TAX SERVICES LLC	Firm's EIN ▶ 81-3101661			
Firm's address ▶ 6151 OUTPOST RD. SYLVANIA, OH 43560	Phone no 419-344-4244			

Form **990-PF** (2016)

Schedule B(Form 990, 990-EZ,
or 990-PF)
Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

OMB No 1545-0047

2016▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF.**▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www.irs.gov/form990

Name of the organization

Employer identification number

COVENANT FOUNDATION, INC.

31-1225037

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- ☒
- For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- ☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2016)

Name of organization COVENANT FOUNDATION, INC.	Employer identification number 31-1225037
--	---

Part I Contributors (See instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	TIMOTHY E JOHNSON 3777 WEST FORK RD CINCINNATI, OH 45247	\$ 43,104.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization COVENANT FOUNDATION, INC.	Employer identification number 31-1225037
--	---

Part II Noncash Property (See instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
<u>1</u>	<u>3125 SHS JOHNSON INVESTMENT COUNSEL</u> _____ _____ _____	\$ <u>3,088,906.</u>	<u>05/27/2016</u>
_____	_____ _____ _____ _____	\$ _____	_____
_____	_____ _____ _____ _____	\$ _____	_____
_____	_____ _____ _____ _____	\$ _____	_____
_____	_____ _____ _____ _____	\$ _____	_____
_____	_____ _____ _____ _____	\$ _____	_____
_____	_____ _____ _____ _____	\$ _____	_____

Covenant Foundation - 2016
Statement 8, Form 990-PF, Part XV, Line 3A
Grants and Contributions Paid During 2016

Name and Address	Relationship	Status	Grant/Contribution	Amount
40 Day Prayer Covenant Inc 7094 Willowood Drive Cincinnati, OH 45241-1063	None	N/A	Operating Fund	\$24,000
A Child's Hope International, Inc 2430 E Kemper Road Cincinnati, OH 45241	None	N/A	Operating Fund	\$58,400
Alliance Defending Freedom 15100 N. 90th Street Scottsdale, AZ 85260	None	N/A	Operating Fund	\$5,000
Back2Back Ministries P.O. Box 70 Mason, OH 45040	None	N/A	Operating Fund	\$5,000
Barnabas Aid 6731 Curran Street McLean, VA 22101	None	N/A	Operating Fund	\$5,000
BLOC Ministries, Inc 3952 North Bend Road Cincinnati, OH 45211	None	N/A	Operating Fund	\$100,000
Breakthrough Urban Ministries P O Box 47200 Chicago, IL 60647	None	N/A	Operating Fund	\$150,000
Campus Crusade for Christ P O. Box 628222 Orlando, FL 32862-9841	None	N/A	Operating Fund	\$16,100
Christian Community Development Association 3827 W. Ogden Avenue Chicago, IL 60623	None	N/A	Operating Fund	\$25,000
Church Divinity School of the Pacific 2451 Ridge Road Berkeley, CA 94709	None	N/A	Operating Fund	\$2,000
Cincinnati Children's Hospital Medical Center 3333 Burnet Avenue / MLC 9002 Cincinnati, OH 45229-3026	None	N/A	Operating Fund	\$67,000
Cincinnati Christian University 2700 Glenway Avenue Cincinnati, OH 45204	None	N/A	Operating Fund	\$3,000
City Gospel Mission 1805 Dalton Avenue Cincinnati, OH 45214	None	N/A	Operating Fund	\$20,000
Coalition for Christian Outreach 5912 Penn Avenue Pittsburgh, PA 15206-3805	None	N/A	Operating Fund	\$4,000
College Hill Presbyterian Church 5742 Hamilton Ave. Cincinnati, OH 45224	None	N/A	Operating Fund	\$250,000
Commission to Every Nation P.O. Box 291307 Kerrville, TX 78029-1307	None	N/A	Operating Fund	\$5,500

Covenant Foundation - 2016
Statement 8, Form 990-PF, Part XV, Line 3A
Grants and Contributions Paid During 2016

Name and Address	Relationship	Status	Grant/Contribution	Amount
Compassion International 12290 Voyager Parkway Colorado Springs, CO 80921	None	N/A	Operating Fund	\$5,500
Covenant First Presbyterian Church 717 Elm Street Cincinnati, OH 45202	None	N/A	Operating Fund	\$17,000
Covenant Theological Seminary 12330 Conway Road St Louis, MO 63141	None	N/A	Operating Fund	\$2,000
Evangelical Covenant Church 8303 West Higgins Road Chicago, IL 60631	None	N/A	Operating Fund	\$150,000
Everyday Christian Church 5030 Broadway, Unit 630 New York, NY 10034	None	N/A	Operating Fund	\$50,000
FOCAS P O Box 428760 Cincinnati, OH 45242-8760	None	N/A	Operating Fund	\$25,000
Free Wheelchair Mission 15279 Alton Parkway Irvine, CA 92618	None	N/A	Operating Fund	\$1,200
Frontiers P O Box 60730 Phoenix, AZ 85082-0730	None	N/A	Operating Fund	\$5,500
Fuller Theological Seminary 135 N Oakland Avenue Pasadena, CA 91182	None	N/A	Operating Fund	\$2,500
InterVarsity Christian Fellowship 6400 Shroeder Road Madison, WI 53791-9703	None	N/A	Operating Fund	\$15,000
JesusOnline Ministries P O Box 1643 Higley, AZ 85236	None	N/A	Operating Fund	\$5,000
Kingdom Advisors 280 Interstate North Circle SE Suite 100 Atlanta, GA 30339	None	N/A	Operating Fund	\$2,500
Life Enriching Communities 5343 Hamilton Avenue Cincinnati, OH 45224	None	N/A	Operating Fund	\$165,000
Life Forward 108 William Howard Taft Cincinnati, OH 45219-2611	None	N/A	Operating Fund	\$20,000
Mission Aviation Fellowship P O. Box 47 Nampa, ID 83653	None	N/A	Operating Fund	\$5,000
Mission Springs Conference Center 1050 Lockhart Gulch Road Scotts Valley, CA 95066	None	N/A	Operating Fund	\$100,000

Covenant Foundation - 2016
Statement 8, Form 990-PF, Part XV, Line 3A
Grants and Contributions Paid During 2016

Name and Address	Relationship	Status	Grant/Contribution	Amount
Reach Beyond Ika World Radio Missionary Fellowship, Inc. 1065 Garden of the Gods Road Colorado Springs, CO 80907	None	N/A	Operating Fund	\$6,000
Rhema Christian Center P O Box 247198 Columbus, OH 43224	None	N/A	Operating Fund	\$2,500
Shoulder to Shoulder 3445 S Dixie Dr #200 Dayton, OH 45439	None	N/A	Operating Fund	\$15,000
SonLight Power, Inc 7100 Dixie Highway Fairfield, OH 45215	None	N/A	Operating Fund	\$5,000
Spark Ventures 134 North LaSalle Street, 5th Floor Chicago, IL 60602	None	N/A	Operating Fund	\$50,000
SpringHill 7717 95th Ave P O Box 100 Ewart, MI 49631	None	N/A	Operating Fund	\$2,500
The Springs, Inc 8173 Davison Road Oldenburg, IN 47036	None	NA	Operating Fund	\$10,000
The UndergroundZone Ministries 1140 Smiley Avenue Cincinnati, OH 45240	None	N/A	Operating Fund	\$30,000
Trinity Evangelical Divinity School 2065 Half Day Road Deerfield, IL 60015	None	N/A	Operating Fund	\$2,000
VisionQuest Alliance 18950 Base Camp Road Monument, CO 80132	None	N/A	Operating Fund	\$2,500
Whitewater Crossing Christian Church 5771 SR 128 Cleves, OH 45002	None	N/A	Operating Fund	\$301,250
Wycliffe Bible Translators, Inc. P O. Box 628211 Orlando, FL 32862-8211	None	N/A	Operating Fund	\$5,500
Young Life P O. Box 70065 Prescott, AZ 86304-7065	None	N/A	Operating Fund	\$270,000
Total Distributions				\$2,013,450

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
-----	-----	-----
ISHARES CORE S&P 500 ETF	432.	432.
ISHARES RUSSELL MIDCAP INDEX	482,605.	482,605.
ISHARES CORE S&P MID CAP ETF	18,133.	18,133.
I SHARES RUSSELL 2000 INDEX FUND	17,943.	17,943.
JOHNSON GROWTH	2,040.	2,040.
JOHNSON OPPTY	21,352.	21,352.
JOHNSON MUTUAL FUNDS FIXED INCOME FD	31,013.	31,013.
JOHNSON REALTY	56,899.	56,899.
JOHNSON MUT FDS TR EQUITY INCOME FD	88,334.	88,334.
JOHNSON MUTUAL FDS ENHANCED RETURN FD	21,414.	21,414.
SCHWAB BANK SWEEP	490,592.	490,592.
VANGUARD SMALL CAP ETF	201.	201.
UNIPAC V, LLC INVESTMENT AGMT DTD 05/15/	57,900.	57,900.
JOHNSON CRT NO. 2 PROMISSORY NOTE \$15,74	22,831.	22,831.
US BANK CORE PLUS ACCOUNT	10,071.	10,071.
WESLEYAN INVESTMENT ACCOUNT	8,052.	8,052.
	43,430.	43,430.
	-----	-----
TOTAL	1,373,242.	1,373,242.
	=====	=====

FORM 990PF, PART I - OTHER INCOME
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----
FEDERAL TAX REFUND	78,178.

TOTALS	78,178.
	=====

FORM 990PF, PART I - ACCOUNTING FEES

=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----	ADJUSTED NET INCOME -----	CHARITABLE PURPOSES -----
TAX PREPARATION FEE (NON-ALLOC	888.	444.		444.
TOTALS	888.	444.	NONE	444.
	=====	=====	=====	=====

FORM 990PF, PART I - TAXES

=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	CHARITABLE PURPOSES -----
OHIO CHARITABLE FEE	200.	200.
	-----	-----
TOTALS	200.	200.
	=====	=====

FORM 990PF, PART I - OTHER EXPENSES
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
LINCOLN NATL EXPENSES	725.	725.
BANK CUSTODIAN FEES	448.	448.
TOTALS	----- 1,173. =====	----- 1,173. =====

FORM 990PF, PART II - OTHER NOTES AND LOANS RECEIVABLE
=====

BORROWER:

UNIPAC V LLC

RELATIONSHIP TO INSIDER:

NONE

INTEREST RATE: 6.000000

DATE OF NOTE: 05/15/2007

MATURITY DATE: 05/15/2021

BEGINNING BALANCE DUE	383,347.
-----------------------------	----------

ENDING BALANCE DUE	238,541.
--------------------------	----------

ENDING FAIR MARKET VALUE	238,541.
--------------------------------	----------

BORROWER:

JOHNSON CRT

RELATIONSHIP TO INSIDER:

NONE

INTEREST RATE: 5.000000

MATURITY DATE: 03/01/2016

BEGINNING BALANCE DUE	2,788,941.
-----------------------------	------------

TOTAL BEGINNING OTHER NOTES AND LOANS RECEIVABLE	3,172,288.
--	------------

=====

TOTAL ENDING BOOK - OTHER NOTES AND LOANS RECEIVABLE	238,541.
--	----------

=====

TOTAL ENDING FMV - OTHER NOTES AND LOANS RECEIVABLE	238,541.
---	----------

=====

COVENANT FOUNDATION, INC.

31-1225037

FORM 990PF, PART II - U.S. AND STATE OBLIGATIONS
=====

DESCRIPTION

ENDING
BOOK VALUE

ENDING
FMV

U.S. TREASURY BONDS
TAXABLE MUNICIPAL BONDS

747,634.
115,750.

863,384.
=====

743,415.
110,375.

853,790.
=====

TOTALS

FORM 990PF, PART II - CORPORATE STOCK
=====

DESCRIPTION -----	ENDING	
	BOOK VALUE -----	FMV ---
MUTUAL FDS / STOCKS - EQUITY	57,633,658.	65,096,607.
STOCKS	153,668.	151,893.
	-----	-----
TOTALS	57,787,326.	65,248,500.
	=====	=====

COVENANT FOUNDATION, INC.

31-1225037

FORM 990PF, PART II - CORPORATE BONDS
=====

DESCRIPTION

ENDING
BOOK VALUE

ENDING
FMV

JOHNSON FIXED INCOME FUND
CORP BONDS & FIXED INC FUNDS

1,987,159.
3,710,171.

2,006,442.
3,655,977.

TOTALS

5,697,330.
=====

5,662,419.
=====

COVENANT FOUNDATION, INC.

31-1225037

FORM 990PF, PART II - OTHER INVESTMENTS
=====

DESCRIPTION -----	COST/ FMV C OR F -----	ENDING BOOK VALUE -----	ENDING FMV -----
LINCOLN NATIONAL LIFE INS. POL	C	2,294.	166.
WESLEYAN INVESTMENT ACCOUNT	C	2,071,476.	2,071,476.
		-----	-----
TOTALS		2,073,770.	2,071,642.
		=====	=====

FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES

DESCRIPTION	AMOUNT
COST BASIS ADJ ON JOHNSON ENHANCE RTN FD	144,551.
COST BASIS ADJ ON JOHNSON GROWTH FD	13,640.

TOTAL	158,191.
	=====

▲ COVENANT FOUNDATION, INC.

31-1225037

FORM 990PF, PART VII-A, LINE 14 - BOOKS ARE IN THE CARE OF
=====

NAME: TIMOTHY E. JOHNSON
JOHNSON TRUST COMPAN
ADDRESS: 3777 WEST FORK ROAD
CINCINNATI, OH 45247

TELEPHONE NUMBER: (513)661-3100

STATEMENT 12

FORM 6781, PART I -- SECTION 1256 CONTRACTS MARKED TO MARKET

DESCRIPTION	DATE ACQUIRED	DATE SOLD	GROSS SALES PRICE	COST OR		LOSS	GAIN
				BASIS			
PER RJ O'BRIEN 1099B		OPEN				5,796.	
TOTAL GAINS AND LOSSES						5,796.	