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Form 990-PF

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2016

Open to Public Inspection

For calendar year 2016, or tax year beginning 01-01-2016, and ending 12-31-2016

Name of foundation
VERL I BROOKS SCHOLARSHIP
FOUNDATION

Number and street (or P O box number if mail is not delivered to street address)
PO BOX 967

City or town, state or province, country, and ZIP or foreign postal code
GALESBURG, IL 614020967

G Check all that apply

☐ Initial return

☐ Initial return of a former public charity

☐ Final return

☐ Amended return

☐ Address change

☐ Name change

H Check type of organization

☒ Section 501(c)(3) exempt private foundation

☐ Section 4947(a)(1) nonexempt charitable trust

☐ Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col (c), line 16)\$ 2,444,743

J Accounting method

☒ Cash

☐ Accrual

☐ Other (specify)

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

A Employer identification number
36-3967580

B Telephone number (see instructions)
(309) 453-4759

C If exemption application is pending, check here

D 1. Foreign organizations, check here

2. Foreign organizations meeting the 85% test, check here and attach computation

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

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

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	10	10	
	4 Dividends and interest from securities	81,797	81,797	
	5a Gross rents			
	b Net rental income or (loss)			
	6a Net gain or (loss) from sale of assets not on line 10	-4,978		
	b Gross sales price for all assets on line 6a	500,432		
	7 Capital gain net income (from Part IV, line 2)			
	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)	5,359	5,359		
12 Total. Add lines 1 through 11	82,188	87,166		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	25,139	8,799	16,340
	14 Other employee salaries and wages			
	15 Pension plans, employee benefits			
	16a Legal fees (attach schedule)			
	b Accounting fees (attach schedule)	1,050	630	420
	c Other professional fees (attach schedule)			
	17 Interest			
	18 Taxes (attach schedule) (see instructions)			
	19 Depreciation (attach schedule) and depletion			
	20 Occupancy			
	21 Travel, conferences, and meetings			
	22 Printing and publications	221	110	111
	23 Other expenses (attach schedule)	338	51	287
	24 Total operating and administrative expenses. Add lines 13 through 23	26,748	9,590	17,158
	25 Contributions, gifts, grants paid	120,673		120,673
26 Total expenses and disbursements. Add lines 24 and 25	147,421	9,590	137,831	
	27 Subtract line 26 from line 12			
	a Excess of revenue over expenses and disbursements	-65,233		
	b Net investment income (if negative, enter -0-)		77,576	
c Adjusted net income(if negative, enter -0-)				

For Paperwork Reduction Act Notice, see instructions.

Cat No 11289X

Form 990-PF (2016)

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	90,639	199,484	199,484	
	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)				
	b	Investments—corporate stock (attach schedule)	827,725	919,515	1,745,759	
	c	Investments—corporate bonds (attach schedule)				
	11	Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____				
	12	Investments—mortgage loans				
	13	Investments—other (attach schedule)	781,178	515,310	499,500	
	14	Land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____				
15	Other assets (describe ▶ _____)					
16	Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	1,699,542	1,634,309	2,444,743		
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶ _____)				
	23	Total liabilities (add lines 17 through 22)		0		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <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 ▶ <input checked="" type="checkbox"/> and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds	1,699,542	1,634,309		
	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)	1,699,542	1,634,309			
31	Total liabilities and net assets/fund balances (see instructions) .	1,699,542	1,634,309			

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	1,699,542
2	Enter amount from Part I, line 27a	2	-65,233
3	Other increases not included in line 2 (itemize) ▶ _____	3	
4	Add lines 1, 2, and 3	4	1,634,309
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	1,634,309

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 See Additional Data Table			
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 See Additional Data Table			
b			
c			
d			
e			

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

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	-4,978
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	401

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2015	128,416	2,291,278	0 056046
2014	98,905	2,297,016	0 043058
2013	83,779	2,191,926	0 038222
2012	90,396	2,146,697	0 042109
2011	88,460	2,066,421	0 042808
2 Total of line 1, column (d)			2 0 222243
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 044449
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5			4 2,410,639
5 Multiply line 4 by line 3			5 107,150
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 776
7 Add lines 5 and 6			7 107,926
8 Enter qualifying distributions from Part XII, line 4 ,			8 137,831

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	776
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	776
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	776
6	Credits/Payments		
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	492
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d.	7	492
8	Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	5
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed ▶	9	289
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 ▶ Refunded ▶	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?	1a	No
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for 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>	1b	No
c Did the foundation file Form 1120-POL for this year?	1c	
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ \$ _____ (2) On foundation managers ▶ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities</i>	2	No
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>	3	No
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	No
b If "Yes," has it filed a tax return on Form 990-T for this year?	4b	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>	5	No
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	7	Yes
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ <u>IL</u>		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation</i> .	8b	Yes
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>	9	No
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10	No

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions).	11		No
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address VBROOKSFOUNDATION.COM	13		
14	The books are in care of JUDY DIEMER Telephone no (309) 453-4759			

Located at **1313 MAPLE AVENUE GALESBURG IL** ZIP+4 **61401**

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 15		
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?	16	Yes No
See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes," enter the name of the foreign country ▶			

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.

1a	During the year did the foundation (either directly or indirectly)		Yes	No
(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"/> 1b			
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? <input type="checkbox"/> 1c			
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 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 ▶ 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). <input type="checkbox"/> 2b			
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <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). <input type="checkbox"/> 3b			
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?	4b		No

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

5a During the year did the foundation pay or incur any amount to <ul style="list-style-type: none"> (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (3) Provide a grant to an individual for travel, study, or other similar purposes? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions). <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Organizations relying on a current notice regarding disaster assistance check here. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	5b	No
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? <input type="checkbox"/> Yes <input type="checkbox"/> 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	6b	No
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	7b	
b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).				
(a) Name and address	Title, and average hours per week (b) devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances
THOMAS BISCHOFF 997 335TH STREET NEW WINDSOR, IL 61465	TRUSTEE 000 00	3,500	0	0
MICHAEL SCHAUBROECK PO BOX 266 NEW WINDSOR, IL 61465	TRUSTEE 000 00	3,500	0	0
JUDY DIEMER 1313 MAPLE AVENUE GALESBURG, IL 61401	FOUNDATION M 000 00	18,139	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	Title, and average hours per week (b) devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances
NONE				
Total number of other employees paid over \$50,000. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				

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

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

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

Part IX-A Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3 ▶	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities.	1a	2,315,302
b	Average of monthly cash balances.	1b	132,047
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	2,447,349
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	2,447,349
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	36,710
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	2,410,639
6	Minimum investment return. Enter 5% of line 5.	6	120,532

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	120,532
2a	Tax on investment income for 2016 from Part VI, line 5.	2a	776
b	Income tax for 2016 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	776
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	119,756
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	119,756
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	119,756

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	137,831
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	137,831
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	776
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	137,055

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				119,756
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only.			3,096	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2016				
a From 2011.				
b From 2012.				
c From 2013.				
d From 2014.				
e From 2015.				
f Total of lines 3a through e.				
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ \$ <u>137,831</u>				
a Applied to 2015, but not more than line 2a			3,096	
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 2016 distributable amount.				119,756
e Remaining amount distributed out of corpus	14,979			
5 Excess distributions carryover applied to 2016 (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	14,979			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.				
d Subtract line 6c from line 6b Taxable amount—see instructions				
e Undistributed income for 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				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions).				
8 Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions).				
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	14,979			
10 Analysis of line 9				
a Excess from 2012.				
b Excess from 2013.				
c Excess from 2014.				
d Excess from 2015.				
e Excess from 2016.	14,979			

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2016, enter the date of the ruling. ▶					
b Check box to indicate whether the organization is a private operating foundation described in section <input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)					
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	Tax year	Prior 3 years			(e) Total
	(a) 2016	(b) 2015	(c) 2014	(d) 2013	
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed. . .					
c "Support" alternative test—enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii). . . .					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year—see instructions.)

1 Information Regarding Foundation Managers:	
a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))	
b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest	
2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:	
Check here <input type="checkbox"/> 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 JUDY DIEMER 1313 MAPLE AVE GALESBURG, IL 61401 (309) 343-1348	
b The form in which applications should be submitted and information and materials they should include SCHOLARSHIP APPLICATION	
c Any submission deadlines JUNE 1ST OF EACH YEAR	
d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors RESIDENCE IN RIVOLA TOWNSHIP, MERCER COUNTY, ILLINOIS FOR AT LEAST TWO YEARS PRIOR TO HIGH SCHOOL GRADUATION	

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 Additional Data Table				
Total			3a	120,673
b <i>Approved for future payment</i>				
Total			3b	

Enter gross amounts unless otherwise indicated

(See worksheet in line 13 instructions to verify calculations)

[illegible]

Part XVII

- | | | | |
|---|----|--|----|
| c Sharing of facilities, equipment, mailing lists, other assets, or paid employees. | 1c | | No |
|---|----|--|----|

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations

- b** If "Yes," complete the following schedule

Sign 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.

Here

**Paid
Preparer
Use Only**

2017-05-25

* * * * *

Signature of officer or trustee

Date _____

Title

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

Print/Type preparer's name

Preparer's Signature

Date _____

Check if self-employed ☐

PTIN

P00518266

ALEX C COURTNEY

Firm's name ► COURTNEY & ALDRICH

Firm's EIN ▶ 45-5333031

Firm's address ► 64 S PRAIRIE ST 326

Phone no (866) 345-1915

GALESBURG, IL 614014623

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

List and describe the kind(s) of property sold (e g , real estate, (a) 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
FIRST TRUST DIVERSIFIED FIXED INCOME	P		2016-01-14
PEPCO HOLDINGS LLC	P	1998-04-29	2016-03-28
FIRST TRUST SELECT DSIP PORTFOLIO	P		2016-01-15
FIRST TRUST GLOBAL BOND INCOME CLSD	P		2016-10-24
FIRST TRUST PREFERRED INCOME PORT	P		2016-11-03
FIRST TRUST INVESTMENT GRADE SELECT	P		2016-11-10
ISHARES ETF BAA BA RATED CORP	P	2016-05-17	2016-08-30
FIRST TRUST DIVERSIFIED FIXED INCOME	P		2016-01-14
FIRST TRUST SELECT DSIP PORTFOLIO	P		2016-01-15
FIRST TRUST GLOBAL BOND INCOME CLSD	P		2016-10-24

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

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
1,728		1,798	-70
57,225		49,267	7,958
1,001		1,101	-100
11,289		10,428	861
2,350		2,362	-12
9,599		9,317	282
18,636		18,235	401
45,702		50,044	-4,342
35,129		40,089	-4,960
41,250		43,409	-2,159

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

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(I) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			-70
			7,958
			-100
			861
			-12
			282
			401
			-4,342
			-4,960
			-2,159

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

List and describe the kind(s) of property sold (e g , real estate, (a) 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
FIRST TRUST PREFERRED INCOME PORT	P		2016-11-03
FIRST TRUST INVESTMENT GRADE SELECT	P		2016-11-10
WELLS FARGO BANK NA CD	P	2015-03-06	2016-11-03
CIT BK CD	P	2013-09-04	2016-08-05
GOLDMAN SACHS BK USA CD	P	2012-10-16	2016-04-26
JP MORGAN CHASE BK NA CD	P	2013-02-05	2016-08-22

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

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
42,301		41,948	353
41,610		47,412	-5,802
40,000		40,000	
50,000		50,000	
50,000		50,000	
50,000		50,000	

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

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			353
			-5,802

Form 990FP Part XV Line 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 Paid during the year				
ADAMSON MAGGIE 3270 110TH AVE NEW WINDSOR, IL 61465	NONE		EDUCATION	4,150
KIRWAN KATIE 954 305TH ST NEW WINDSOR, IL 61465	NONE		EDUCATION	5,500
KNESS CARLEE PO BOX 374 NEW WINDSOR, IL 61465	NONE		EDUCATION	1,300
FAY NATHAN RYNER PO BOX 268 NEW WINDSOR, IL 61465	NONE		EDUCATION	6,800
COOPER TAEOR 1279 285TH ST VIOLA, IL 61486	NONE		EDUCATION	7,950
MOLBERG JONATHAN PO BOX 22 NEW WINDSOR, IL 61465	NONE		EDUCATION	6,200
SPIVEY HEATHER 4111 36TH AVE MOLINE, IL 61265	NONE		EDUCATION	4,932
DILLBECK LINDSEY 305 S 11TH AVE NEW WINDSOR, IL 61465	NONE		EDUCATION	7,923
WALZ EDEN PO BOX 402 NEW WINDSOR, IL 61465	NONE		EDUCATION	2,928
WALZ ELIZABETH PO BOX 402 NEW WINDSOR, IL 61465	NONE		EDUCATION	2,123
JOHNSON JOSEPHINE 4524 5TH ST B EAST MOLINE, IL 61244	NONE		EDUCATION	7,650
WILLEMS CHRISTIANNA PO BOX 294 NEW WINDSOR, IL 61465	NONE		EDUCATION	8,688
KIRWAN CHRISTINA 954 305TH ST NEW WINDSOR, IL 61465	NONE		EDUCATION	8,550
SORRELLS DILLAN 134 MAIN ST PO BOX 372 NEW WINDSOR, IL 61465	NONE		EDUCATION	3,638
ADAMS STEPHANIE 3097 STATE HWY 17 NEW WINDSOR, IL 61465	NONE		EDUCATION	7,850
Total ► 3a				120,673

Form 990PF Part XV Line 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 Paid during the year				
ERICSON MALERIE 981 305TH ST NEW WINDSOR, IL 61465	NONE		EDUCATION	2,475
GALVIN TRENT 668 330TH ST NEW WINDSOR, IL 61465	NONE		EDUCATION	2,250
LEATHERMAN TRAVIS 4831 HELENA LN N UNIT 3 OAKDALE, MN 55128	NONE		EDUCATION	4,800
RYNER SAMUEL 1117 FRANKLIN ST NEW WINDSOR, IL 61465	NONE		EDUCATION	2,900
MOLBERG EMMA 129 N 5TH AVE PO BOX 22 NEW WINDSOR, IL 61465	NONE		EDUCATION	2,850
KAUR HARSIMRAN 514 MAIN ST PO BOX 205 NEW WINDSOR, IL 61465	NONE		EDUCATION	3,050
WILLEMS KALENA PO BOX 294 NEW WINDSOR, IL 61465	NONE		EDUCATION	4,466
HATLESTAD BRITTANY 3230 65TH AVE NEW WINDSOR, IL 61465	NONE		EDUCATION	4,000
SORRELLS BLAKE 134 MAIN ST NEW WINDSOR, IL 61465	NONE		EDUCATION	1,200
STREETER COLTON 3241 110TH AVE NEW WINDSOR, IL 61465	NONE		EDUCATION	2,500
HARLAND ARIAL 905 3RD ST SE APT 504 CEDAR RAPIDS, IA 52401	NONE		EDUCATION	3,000
SCHOLTING ERIC 3431 JERSEY RIDGE RD 813 DAVENPORT, IA 52807	NONE		EDUCATION	1,000
Total ►				120,673
3a				

TY 2016 Accounting Fees Schedule

Name: VERL I BROOKS SCHOLARSHIP
FOUNDATION

EIN: 36-3967580

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INDIRECT ACCOUNTING FEES	1,050	630		420

TY 2016 Investments Corporate Stock Schedule

Name: VERL I BROOKS SCHOLARSHIP
FOUNDATION
EIN: 36-3967580

Name of Stock	End of Year Book Value	End of Year Fair Market Value
ALLIANT ENERGY	28,505	75,780
ALLSTATE CORP	26,020	40,766
ALTRIA GROUP	14,313	67,620
AMEREN CORP	23,619	31,476
AVISTA CORP	49,419	64,264
BANK OF AMERICA	49,655	28,730
DOMINION RES INC	25,737	61,272
DUKE ENERGY CORP	14,907	27,245
EXELON CORPORATION	51,928	35,490
EXXON MOBILE CORP	81,059	180,520
GENERAL MILLS	40,902	92,655
HAWAIIAN ELEC	38,391	70,770
WELLTOWER INC	37,021	40,158
ISHARES US S&P US PFD STK	70,797	65,117
ISHARES AAA A RATED CORP	43,375	41,088
NEW WINDSOR TELE CO	2,500	8,000
NEXTERA ENERGY INC	35,377	119,460
PEPCO HOLDINGS INC		
PHILIP MORRIS INTL	16,136	68,617
REALTY INCOME CORP	37,719	45,984
SCANA CORP	26,140	54,960
SPECTRA ENERGY CORP	25,787	41,090
SYSCO CORPORATION	49,956	91,360
THE SOUTHERN CO	30,482	94,691
WEC ENERGY GROUP INC	99,770	298,646

TY 2016 Investments - Other Schedule

Name: VERL I BROOKS SCHOLARSHIP
FOUNDATION

EIN: 36-3967580

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
GE CAPITAL BANK	AT COST	50,000	51,037
GE CAPITAL RETAIL BANK	AT COST	50,000	51,682
CITIBANK NA CD	AT COST		
HSBC BANK USA NA CD	AT COST	50,000	46,732
GOLDMAN SACHS BK USA 10-26-27 CD	AT COST		
GOLDMAN SACHS BK USA CD	AT COST	50,000	51,621
HORIZON BANK CD	AT COST	50,006	47,215
JP MORGAN CHASE BK NA CD	AT COST		
CENTRAL BANK CD	AT COST	50,000	49,598
WELLS FARGO BANK CD	AT COST		
FIRST TRUST PFD INC SER70	AT COST		
FIRST TRUST SELECT DSIP	AT COST		
FIRST TRUST DIVERS FXD SER20	AT COST		
FIRST TRUST SR LOAN SER57	AT COST	58,370	54,919
FIRST TRUST GLOBAL BOND 16	AT COST		
FIRST TRUST STRAT INC SER21	AT COST	59,341	55,314
FIRST TRUST INV GR SEL 51	AT COST		
FIRST TRUST GLOBAL BOND 22	AT COST	52,699	50,738
FIRST TRUST PREFERRED INC 86	AT COST	44,894	40,644

TY 2016 Other Expenses Schedule

Name: VERL I BROOKS SCHOLARSHIP
FOUNDATION

EIN: 36-3967580

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXPENSES				
OFFICE SUPPLIES	102	51		51
WEBSITE FEES	221			221
IL CHARITY BUREAU FEES	15			15

TY 2016 Other Income Schedule

Name: VERL I BROOKS SCHOLARSHIP
FOUNDATION

EIN: 36-3967580

Other Income Schedule

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
MISCELLANEOUS	5,359	5,359	