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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

OMB No 1545-0052

2016

Open to Public Inspection

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

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

For calendar year 2016 or tax year beginning 1/1/2016, and ending 12/31/2016

Name of foundation

THE MITCHELSON FOUNDATION, INC.

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

Room/suite

P.O. BOX 610

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

PITTSBURG

KS

66762-0610

Foreign country name

Foreign province/state/county

Foreign postal code

A Employer identification number

48-1158378

B Telephone number (see instructions)

(620) 231-4650

C If exemption application is pending, check here ☐

G Check all that apply:

☐ Initial return ☐ Initial return of a former public charity

☐ Final return ☐ Amended return

☐ Address change ☐ Name change

D 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 ☐

H Check type of organization: ☒ Section 501(c)(3) exempt private foundation

☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) **\$ 2,010,184**

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)				
2	Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
3	Interest on savings and temporary cash investments	2,192	2,192	2,192	
4	Dividends and interest from securities	65,011	65,011	65,011	
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	-10,131			
b	Gross sales price for all assets on line 6a 12,838				
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)				
12	Total. Add lines 1 through 11	57,072	67,203	67,203	
13	Compensation of officers, directors, trustees, etc.				
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule)				
b	Accounting fees (attach schedule)				
c	Other professional fees (attach schedule)				
17	Interest				
18	Taxes (attach schedule) (see instructions)	15,256	15,256	15,256	
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule)	40	40	40	
24	Total operating and administrative expenses. Add lines 13 through 23	15,296	15,296	15,296	0
25	Contributions, gifts, grants paid	12,000			12,000
26	Total expenses and disbursements. Add lines 24 and 25	27,296	15,296	15,296	12,000
27	Subtract line 26 from line 12.				
a	Excess of revenue over expenses and disbursements	29,776			
b	Net investment income (if negative, enter -0-)		51,907		
c	Adjusted net income (if negative, enter -0-)			51,907	

For Paperwork Reduction Act Notice, see instructions.

HTA

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	11,448	35,154	34,154
	2	Savings and temporary cash investments	26,846	57,941	57,941
	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	1,225	1,200	1,200
	10a	Investments—U.S. and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	1,045,817	1,023,425	1,874,356
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment: basis ▶			
Liabilities		Less: accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	40,031	40,031	42,533
	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)	1,125,367	1,156,751	2,010,184
	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances		Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ▶ <input type="checkbox"/>			
	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	1,125,367	1,156,751	
	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)	1,125,367	1,156,751	
	31	Total liabilities and net assets/fund balances (see instructions)	1,125,367	1,156,751	

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	1,125,367
2	Enter amount from Part I, line 27a	2	29,776
3	Other increases not included in line 2 (itemize) ▶ Non Div Distribution/ Misc	3	1,608
4	Add lines 1, 2, and 3	4	1,156,751
5	Decreases not included in line 2 (itemize) ▶ CAPITAL LOSS	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,156,751

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	NOKIA - CIL	P	1/7/2016	1/7/2016
b	CENOVUS	P	12/26/2013	5/13/2016
c	FRONTIER COMMUNICATIONS	P	12/23/2013	5/13/2016
d	ALCATEL LUCENT	P	5/30/2007	1/7/2016
e	FRONTIER COMMUNICATIONS	P	6/26/2003	5/13/2016

(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 2		2	0
b 7,245		14,412	-7,167
c 2,185		1,704	481
d 413		1,729	-1,316
e 2,993		5,122	-2,129

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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			0
b			-7,167
c			481
d			-1,316
e			-2,129

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	-10,131
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	0

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☒ Yes ☐ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2015	37,500	1,739,205	0.021562
2014	63,200	1,712,590	0.036903
2013	10,500	1,542,365	0.006808
2012	109,500	1,384,138	0.079111
2011	9,500	1,260,055	0.007539

2 Total of line 1, column (d)	2	0.151923
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	0.030385
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	
5 Multiply line 4 by line 3	5	
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	0
7 Add lines 5 and 6	7	0
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	0

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 type="checkbox"/> and enter 1% of Part I, line 27b	1		1,038
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2		0
3	Add lines 1 and 2	3		1,038
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4		
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5		1,038
6	Credits/Payments			
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	1,200	
b	Exempt foreign organizations—tax withheld at source	6b		
c	Tax paid with application for extension of time to file (Form 8868)	6c		
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments. Add lines 6a through 6d	7		1,200
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		0
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		162
11	Enter the amount of line 10 to be: Credited to 2017 estimated tax 162 Refunded	11		0

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation \$ (2) On foundation managers. \$		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) KS		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? <i>If "No," attach explanation</i>		X
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses.</i>		X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11	Yes	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		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	X	
14	The books are in care of ► WHEELER & MITCHELSON, CHARTERED Telephone no ► (620) 231-4650 Located at ► FOURTH & BROADWAY, P.O. BOX 610 PITTSBURG KS ZIP+4 ► 66762-0610			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the year ► 15	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? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ►	16	Yes	No
				X

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

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

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)? Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>	1b	N/A	
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2016?	1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 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.)	2b	N/A	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► 20 _____, 20 _____, 20 _____, 20 _____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <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.)	3b	N/A	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?	4b		X

5b	N/A
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▶

☐ Yes ☐ No☐ Yes ☒ No

6b

☐ Yes ☒ No

7b	N/A
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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 N/A	
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 ▶	0

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes.		
a	Average monthly fair market value of securities	1a	1,848,447
b	Average of monthly cash balances	1b	65,920
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	1,914,367
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	1,914,367
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see instructions)	4	28,716
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,885,651
6	Minimum investment return. Enter 5% of line 5	6	94,283

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	94,283
2a	Tax on investment income for 2016 from Part VI, line 5	2a	1,038
b	Income tax for 2016 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	1,038
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	93,245
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	93,245
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	93,245

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	12,000
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	12,000
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	12,000

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				93,245
2 Undistributed income, if any, as of the end of 2016:				
a Enter amount for 2015 only			93,245	
b Total for prior years: 20 12 , 20 13 , 20 14		46,955		
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	0			
4 Qualifying distributions for 2016 from Part XII, line 4: ► \$ 12,000				
a Applied to 2015, but not more than line 2a			12,000	
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				
e Remaining amount distributed out of corpus				
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	0			
b Prior years' undistributed income. Subtract line 4b from line 2b		46,955		
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		46,955		
e Undistributed income for 2015. Subtract line 4a from line 2a. Taxable amount—see instructions			81,245	
f Undistributed income for 2016. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2017				93,245
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				
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				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)**N/A****1a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 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)**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 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).)

FRED MITCHELSON

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.

N/A

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.

N/A

b The form in which applications should be submitted and information and materials they should include:**c** Any submission deadlines:**d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a <i>Paid during the year</i> SEE ATTACHED				12,000
Total			▶ 3a	12,000
b <i>Approved for future payment</i> SEE ATTACHED				9,000
Total			▶ 3b	9,000

THE MITCHELSON FOUNDATION, INC.
EIN 48-1158378
2016

Schedule 990-PF

Part XV

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

a) <u>Paid During the Year</u>	<u>Relationship</u>	<u>Purpose</u>	<u>Amount</u>
Abbie O'Brien 1403 Mareta Drive Pittsburg, Kansas 66762	None	College Scholarship	2,000.00
Reece Burns 3206 East 20th Pittsburg, Kansas 66762	None	College Scholarship	2,000.00
Stephanie Oyibo 602 Canterbury Road Pittsburg, Kansas 66762	None	College Scholarship	2,000.00
Sarajo Fuqua 402 North Water Street Pittsburg, Kansas 66762	None	College Scholarship	2,000.00
Tyler A. Lynn 2511 Random Acres Pittsburg, Kansas 66762	None	College Scholarship	1,000.00
Mt. Carmel Foundation Centennial and Rouse Pittsburg, Kansas 66762	None	Hospital Fundraiser	1,500.00
Community Foundation of Southeast Kansas 100 South Broadway Pittsburg, Kansas 66762	None	Charitable Gift	1,500.00
		Total	<u>\$ 12,000.00</u>

b) <u>Approved for future payment</u>	<u>Relationship</u>	<u>Purpose</u>	<u>Amount</u>
Abbie O'Brien (address above)	None	College Scholarship	1,000.00
Reece Burns (address above)	None	College Scholarship	2,000.00
Stephanie Oyibo (address above)	None	College Scholarship	2,000.00
Sarajo Fuqua (address above)	None	College Scholarship	1,000.00
Tyler A. Lynn (address above)	None	College Scholarship	2,000.00
Dominic Piccini 3304 Grand Oaks Court Pittsburg, Kansas 66762	None	College Scholarship	1,000.00
Total			<u>\$9,000.00</u>

Part VIII, Line 1 (990-PF) - Compensation of Officers, Directors, Trustees and Foundation Managers

0 0 0 0										Expense Account
Name	Check "X" if Business	Street	City	State	Zip Code	Foreign Country	Title	Avg Hrs Per Week	Compensation	Benefits
1 FRED MITCHELSON		605 W QUINCY	PITTSBURG	KS	66762		DIR	VARIOUS	0	
2 KEVIN F MITCHELSON		209 ELMWOOD	PITTSBURG	KS	66762		PRES/DIR	VARIOUS	0	
3 JOHN H MITCHELSON		904 S CATALPA	PITTSBURG	KS	66762		SEC/DIR	VARIOUS	0	
4 KATHLEEN M COLEBANK		5215 W 64TH TERR	PRAIRIE VILLAGE	KS	66208		TREAS/DIR	VARIOUS	0	

Part VII-A, Line 8b (990-PF) - Copy of Form 990-PF to Attorney General
ANNUAL REPORT FILED WITH KANSAS SECRETARY OF STATE

Schedule No. 2
Statement of Investments

December 31, 2016

<u>Corporate Stocks:</u>	<u>Book Value</u>	<u>Fair Market Value</u>
1,500 Altria	10,218.07	101,430.00
2,000 AT&T	60,047.58	85,060.00
1,000 Britsol Meyers	22,700.81	58,440.00
1,100 Caterpillar	57,330.16	102,014.00
200 Chemours	1,836.38	4,418.00
363 Comcast	9,949.83	25,065.15
750 Conoco Phillips	30,220.76	37,605.00
900 Deere & Co.	40,373.84	92,736.00
1,000 Dow Chemical Company	30,213.23	57,220.00
1,000 DuPont	34,277.39	73,400.00
500 Eli Lilly	17,835.37	36,775.00
2,000 Empire District Electric	46,175.36	68,180.00
1,500 First Energy Corp	54,906.04	46,455.00
4,000 Ford Motor Company	67,930.78	48,520.00
2,000 Great Plains Energy	58,643.82	54,700.00
400 Ingredion	5,375.00	49,984.00
1,500 IShares	54,822.03	55,815.00
500 KinderMorgan, Inc.	18,197.73	10,355.00
346 Kraft Heinz Foods	3,679.85	30,212.72
1,038 Mondelez	6,807.07	46,014.54
69 Nokia	410.73	331.89
1,500 Philip Morris	23,283.79	137,235.00
250 Phillips 66	5,406.05	21,602.50
500 Proctor & Gamble	28,850.06	42,040.00
2,000 QualComm	85,164.00	130,400.00
3,000 Verizon	99,599.69	160,140.00
3,250 Westar Energy	75,575.32	183,137.50
400 Yum Brands	9,460.48	25,332.00
400 Yum China	4,083.52	10,448.00
3,000 Wells Fargo - Preferred	<u>60,049.91</u>	<u>79,290.00</u>
Total	<u>\$1,023,424.65</u>	<u>\$1,874,356.30</u>

Barclays Bank PLC, dated 07/01/2010
Due 07/01/2023 @ 5.25%

20,000.00 21,958.80

General Electric, dated 09/24/2007,
Due 09/15/2017 @ 5.625%

20,031.20 20,574.20

Total

\$40,031.20 \$42,533.00

THE MITCHELSON FOUNDATION, INC.

EIN 48-1158378

January 1, 2016 to December 31, 2016

Schedule No. 1

Expenses

Taxes	\$ 15,256.00
Corporate Fee	40.00
Bank Service Charges	0.00
Office Expense	<u>0.00</u>

Total Expenses	<u>\$ 15,296.00</u>
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