Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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 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
The Kay Family Foundation Inc

A Employer identification number
52-1045650

Number and street (or P O box number if mail is not delivered to street address)
20300 Seneca Meadows Parkway

Room/suite

B Telephone number (see instructions)

City or town, state or province, country, and ZIP or foreign postal code
Germantown, MD 20876

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

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶$ 18,575,047

J Accounting method ☑ Cash ☐ Accrual
☐ Other (specify)
(Part I, column (d) must be on cash basis)

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

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))*

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ ☑ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	262,559	262,559		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	76,180			
	b	Gross sales price for all assets on line 6a 260,786				
	7	Capital gain net income (from Part IV, line 2)		76,180		
	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)	130,880			
	12	**Total.** Add lines 1 through 11	469,619	338,739		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc				
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)	2,600	2,600		
	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				
	23	Other expenses (attach schedule)	38,291	38,291		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	40,891	40,891		0
	25	Contributions, gifts, grants paid	293,500			293,500
	26	**Total expenses and disbursements.** Add lines 24 and 25	334,391	40,891		293,500
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	135,228			
	b	**Net investment income** (if negative, enter -0-)		297,848		
	c	**Adjusted net income**(if negative, enter -0-)				

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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	4,238,853	4,065,259	4,065,259
	3	Accounts receivable ▶ 2,468			
		Less allowance for doubtful accounts ▶	2,341	2,468	2,468
	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)	7,321,046	7,606,949	11,797,282
	c	Investments—corporate bonds (attach schedule)	738,629	756,551	746,424
	11	Investments—land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	2,259	1,879	1,963,614
	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)	12,303,128	12,433,106	18,575,047
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 ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☑ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	12,303,128	12,433,106	
	30	**Total net assets or fund balances** (see instructions)	12,303,128	12,433,106	
	31	**Total liabilities and net assets/fund balances** (see instructions)	12,303,128	12,433,106	

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	12,303,128
2	Enter amount from Part I, line 27a	2	135,228
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	12,438,356
5	Decreases not included in line 2 (itemize) ▶	5	5,250
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	12,433,106

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	76,180
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

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	46,710	16,676,150	0 00280
2014	178,481	16,280,536	0 01096
2013	244,366	13,349,084	0 01831
2012	307,740	5,508,309	0 05587
2011	891,042	4,869,979	0 18297

2 **Total** of line 1, column (d)	2	0 270904
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 054181
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	17,561,891
5 Multiply line 4 by line 3	5	951,521
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	2,978
7 Add lines 5 and 6	7	954,499
8 Enter qualifying distributions from Part XII, line 4	8	293,500

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 ▶ ☐ and enter "N/A" on line 1 Date of ruling or determination letter ______ **(attach copy of letter if necessary–see instructions)**		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b	1	5,957
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	5,957
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	5,957
6	Credits/Payments		
a	2016 estimated tax payments and 2015 overpayment credited to 2016 — 6a: 4,520		
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	4,520
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	1,437
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)?	1b		No
	*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?	1c		No
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? *If "Yes," attach a detailed description of the activities*	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? *If "Yes," attach a conformed copy of the changes*	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		No
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	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? *If "Yes," complete Part II, col (c), and Part XV*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ MD			
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*	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)? *If "Yes," complete Part XIV*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	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?	13	Yes	

Website address ▶N/A

14 The books are in care of ▶Lauren Kay Pollin Telephone no ▶

Located at ▶20300 Seneca Meadows Pkwy 202 Germantown MD ZIP+4 ▶20876

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

			Yes	No
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		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.

				Yes	No
1a	During the year did the foundation (either directly or indirectly)				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☑ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☑ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☑ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☑ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☑ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days).	☐ Yes ☑ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?		1b		No
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐				
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2016?		1c		No
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? If "Yes," list the years ▶ 20____, 20____, 20____, 20____	☐ Yes ☑ No			
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		No
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☑ No			
b	If "Yes," did it have excess business holdings in 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		No
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			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☑ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☑ No			
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 4945(d)(4)(A)? (see instructions) ☐ Yes ☑ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?	**5b**		**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?	**6b**		**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?	**7b**		**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	**(e)** Expense account, other allowances
Lauren K Pollin PO Box 427 Barnesville, MD 20838	President 0 00	0		

2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than $50,000	Title, and average hours per week **(b)** devoted to position	**(c)** Compensation	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
NONE				

Total number of other employees paid over $50,000 ▶

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

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

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

Part IX-A **Summary of Direct Charitable Activities**

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

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
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	11,592,648
b	Average of monthly cash balances.			1b	4,241,055
c	Fair market value of all other assets (see instructions).			1c	1,995,628
d	**Total** (add lines 1a, b, and c).			1d	17,829,331
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation).	1e	0		
2	Acquisition indebtedness applicable to line 1 assets.			2	
3	Subtract line 2 from line 1d.			3	17,829,331
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).			4	267,440
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4			5	17,561,891
6	**Minimum investment return.** Enter 5% of line 5.			6	878,095

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	878,095
2a	Tax on investment income for 2016 from Part VI, line 5.	2a	5,957		
b	Income tax for 2016 (This does not include the tax from Part VI).	2b			
c	Add lines 2a and 2b.			2c	5,957
3	Distributable amount before adjustments Subtract line 2c from line 1.			3	872,138
4	Recoveries of amounts treated as qualifying distributions.			4	
5	Add lines 3 and 4.			5	872,138
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	872,138

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	293,500
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	293,500
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	293,500

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					872,138
2 Undistributed income, if any, as of the end of 2016					
a Enter amount for 2015 only.					
b Total for prior years 20___ , 20___ , 20___					
3 Excess distributions carryover, if any, to 2016					
a From 2011.	164,338				
b From 2012.	33,954				
c From 2013.					
d From 2014.					
e From 2015.					
f Total of lines 3a through e.		198,292			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ $ 293,500					
a Applied to 2015, but not more than line 2a					
b Applied to undistributed income of prior years (Election required—see instructions).					
c Treated as distributions out of corpus (Election required—see instructions).		0			
d Applied to 2016 distributable amount.					293,500
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))*		198,292			198,292
6 Enter the net total of each column as indicated below:					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5					
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					380,346
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)

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 ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			**(e) Total**
	(a) 2016	**(b)** 2015	**(c)** 2014	**(d)** 2013	
2a 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 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 ▶ ☐ 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

Lauren Pollin
20300 Seneca Meadows Parkway Suite
Germantown, MD 20876
(301) 589-8045

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

Letter stating purpose and need of organization

c Any submission deadlines

Rolling

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

None

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 *Paid during the year* See Additional Data Table				
Total . . . . ▶ **3a**				293,500
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

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	262,559	
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	76,180	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a Recovery of Madoff Theft			18	130,880	
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e). .				469,619	

13 **Total.** Add line 12, columns (b), (d), and (e). 13 469,619

(See worksheet in line 13 instructions to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)

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

		Yes	No
1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501 (c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a Transfers from the reporting foundation to a noncharitable exempt organization of			
(1) Cash.	**1a(1)**		**No**
(2) Other assets.	**1a(2)**		**No**
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization.	**1b(1)**		**No**
(2) Purchases of assets from a noncharitable exempt organization.	**1b(2)**		**No**
(3) Rental of facilities, equipment, or other assets.	**1b(3)**		**No**
(4) Reimbursement arrangements.	**1b(4)**		**No**
(5) Loans or loan guarantees.	**1b(5)**		**No**
(6) Performance of services or membership or fundraising solicitations.	**1b(6)**		**No**
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.	**1c**		**No**

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

(a) Line No	**(b)** Amount involved	**(c)** Name of noncharitable exempt organization	**(d)** Description of transfers, transactions, and sharing arrangements

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?. ☐ Yes ☑ No

b If "Yes," complete the following schedule

(a) Name of organization	**(b)** Type of organization	**(c)** Description of relationship

Sign Here

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

******	2017-05-11	******	May the IRS discuss this return with the preparer shown below (see instr)? ☑ **Yes** ☐ **No**
Signature of officer or trustee	Date	Title	

Paid Preparer Use Only

Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ▶ ☐	PTIN
John J Schofield				P01431999
Firm's name ▶ Hariton Mancuso & Jones PC				Firm's EIN ▶
Firm's address ▶ 11140 Rockville Pike Rockville, MD 20852				Phone no (301) 984-6400

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

(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)
33 Alcoa Inc	P	2013-01-17	2016-10-19
900 Cisco Systems Inc	P	2013-01-17	2016-08-08
495 Coty Inc	P	2013-01-17	2016-10-14
500 CSX Corporation	P	2013-04-21	2016-12-09
4000 EMC Corp	P	2010-01-01	2016-02-19
100 Fed Ex Corp	P	2012-11-16	2016-12-09
500 Microsoft Corp	P	2013-04-21	2016-08-08
300 Altria Group	P	2013-04-21	2016-02-24
200 Altria Group	P	2013-04-21	2016-05-19
100 Fortune Brands	P	2013-04-21	2016-08-08

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)
9		9	
27,858		18,854	9,004
12		9	3
18,596		11,846	6,750
99,994		96,633	3,361
19,641		8,607	11,034
28,976		15,163	13,813
18,300		10,517	7,783
12,653		7,011	5,642
6,397		3,593	2,804

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	
			9,004
			3
			6,750
			3,361
			11,034
			13,813
			7,783
			5,642
			2,804

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

(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)
8352 Leidos Holdings, Inc	P	2013-04-21	2016-09-02
300 Marriott Intl Inc	P	2013-04-21	2016-12-09
Capital Gain Distributions	P		

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)
34		10	24
24,974		12,354	12,620
3,342			3,342

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	
			24
			12,620
			3,342

Form 990PF Part XV Line 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 *Paid during the year*				
Jewish Social Svcs Agency 6123 Montrose Road Rockville, MD 20852	None	501(c)(3)	Various	10,000
Blackrock Center for the Arts 12901 Town Commons Drive Germantown, MD 20874	None	501(c)(3)	Various	7,500
Jewish Council for the Aging 13320 Parklawn Drive Rockville, MD 20852	None	501(c)(3)	Various	15,000
Habitat for Humanity 9110 Gaither Road Gaithersburg, MD 20877	NONE	501(c)(3)	Various	1,000
JCC of Greater Washington 6125 Montrose Road Rockville, MD 20852	NONE	501(c)(3)	Various	10,000
EDJCC 1529 16th Street NW Washington, DC 20036	NONE	501(c)(3)	Various	250,000
Total . . . . . . ▶ **3a**				293,500

TY 2016 Accounting Fees Schedule

Name: The Kay Family Foundation Inc

EIN: 52-1045650

Software ID: 16000303

Software Version: 2016v3.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Accounting Fees	2,600	2,600	0	0

TY 2016 Other Decreases Schedule

Name: The Kay Family Foundation Inc

EIN: 52-1045650

Software ID: 16000303

Software Version: 2016v3.0

Description	Amount
Federal Taxes Paid	3,811
Foreign Tax Paid	1,439

TY 2016 Other Expenses Schedule

Name: The Kay Family Foundation Inc

EIN: 52-1045650

Software ID: 16000303

Software Version: 2016v3.0

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Investment Management fees	38,291	38,291		

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93491131016977

TY 2016 Other Income Schedule

Name: The Kay Family Foundation Inc

EIN: 52-1045650

Software ID: 16000303

Software Version: 2016v3.0

Other Income Schedule

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
Recovery of Madoff Theft	130,880		

Kay Family Foundation
Heritage Stocks
12/31/2016

Stocks	Balance @ 12/31/16 Shares	Cost	FMV
3M Co	400 000	42,194	71,428
Air Products & Chemicals	600 000	47,689	86,292
Alcoa Corp	1,000 000	23,258	31,197
Arconic (formerly Alcoa)	3,333 000	63,710	61,794
Altria Group	2,000 000	69,235	135,240
American Express Co	2,200 000	131,857	162,976
Apache Corp	1,600 000	110,504	101,552
Apple, Inc	1,800 000	121,465	208,476
Archer Daniels	3,500 000	96,404	159,775
AT&T Inc	2,500 000	89,119	106,325
Automatic Data Process *(sp*	600 000	34,174	61,668
Bank of America Corp	5,000 000	66,015	110,500
Blackrock Inc	200 000	63,264	76,108
Boeing	600 000	57,981	93,408
Capital One Financial Group	1,200 000	64,824	104,688
Caterpillar Inc	1,000 000	82,139	92,740
CDK Global *(ADP Spinoff)*	200 000	4,855	11,938
Chemours Co	6,000 000	40,860	132,540
Chipotle Mexican Grill	30 000	75,439	56,598
Cisco Systems	5,000 000	103,746	151,100
Coca Cola Co	2,000 000	75,279	82,920
Coty Inc (Proctor & Gam spi	585 000	10,443	10,711
CSX Corp	4,500 000	90,241	161,685
Discover Financial Services	1,000 000	46,094	72,090
Disney Walt Co	2,200 000	117,289	229,284
Du Pont I De Nemours	2,000 000	82,622	146,800
Express Scripts HLD	1,100 000	64,371	75,669
Exxon Mobil Corp	1,500 000	133,537	135,390
Fedex Corp	800 000	68,855	148,960
Fluor Corp	1,400 000	84,571	73,528
Fortune Brands	500 000	17,966	26,730
Gap Inc	1,000 000	37,098	22,440
General Electric Co	4,260 000	90,435	134,616
Goldman Sachs	600 000	71,262	143,670
Alphabet Inc CL A	350 000	128,346	273,748
Hershey Co	1,000 000	90,370	103,430
Hewlett Packard	1,500 000	15,338	34,710
HP Inc	1,500 000	13,954	22,260
IBM	650 000	122,521	107,894
Intel Corp	3,500 000	78,283	126,945
Ishares MSCI EAFE	2,000 000	116,810	115,460
Ishares Russell 2000	700 000	64,589	94,395
Johnson & Johnson	600 000	50,575	69,126
JP Morgan Chase	1,000 000	49,454	86,290
Leido Holdings (lockheed sp	262 000	3,064	13,399
Lilly Elli & Co	800 000	45,686	58,840
Lockheed Martin	368 000	35,346	91,978
Marriott Intl Inc	2,200 000	80,327	181,896
Mastercard	1,200 000	91,043	123,900
McDonalds Corp	1,000 000	84,020	121,720

ATTACHMENT #2

Microsoft Corp	3,500 000	97,633	217,490
Monsanto Co	600 000	59,116	63,126
Nike Inc *(Stock split 2 1 12/2*	1,800 000	91,467	182,988
Paccar Inc	2,700 000	124,396	172,530
Pepsico Inc	600 000	52,146	62,778
Pfizer Inc	2,000 000	59,655	64,960
Phillip Morris Intl Inc	1,200 000	104,925	109,788
Praxair Inc	700 000	75,614	82,033
Price T Rowe Group	1,200 000	90,558	90,312
Proctor & Gamble Co	850 000	59,228	82,033
Qualcomm Inc	1,200 000	76,759	71,468
Raytheon Co	600 000	34,488	78,240
Schlumberger Ltd	1,000 000	71,866	83,950
Shire PLC	400 000	75,827	68,152
SPDR S&P Midcap 400 ETF	650 000	132,314	196,125
Synchrony Financial (GE spi	2,400 000	51,898	87,048
TEVA Pharmaceutical ADR	2,600 000	99,917	94,250
Toyota Motor Corp	800 000	81,829	93,760
United Parcel Service	800 000	69,186	91,712
United Technologies Corp	1,000 000	75,276	109,620
Vanguard FTSE EMG ETF	2,500 000	95,840	89,450
Vanguard Small Cap ETF	600 000	52,645	77,376
Verizon Communications	2,800 000	132,633	149,464
Versum Matls Inc (air prod s	2,000 000	52,417	56,140
Walmart Stores Inc	1,500 000	108,091	103,680
YUM Brands Inc	1,800 000	84,317	113,994
YUM China Holding	3,600 000	81,442	94,032
Zimmer Holdings	400 000	29,456	41,280
Zoetis *(spinoff Pfizer)*	3,000 000	94,843	163,757
		5,764,298	8,098,361

The Kay Family Foundation
EIN 52-1045650
FMV & Cost of Investment Account
12/31/2016

	Cost Basis	Fair Market Value
Corporate Stocks		
Dodge and Cox Funds	178,877	212,396
Heritage - Account # CHHE002043	5,764,298	8,098,361
See Attachment #2 for breakdown of securities		
M & T Bank - 2,413 shares	43,750	377,466
Vanguard - Account # 1341-88043316359	1,620,024	3,107,059
Total	7,606,949	11,795,282
Corporate Bonds		
Vanguard - Account # 0084-88043316359	756,551	746,424
Partnerships		
Kay Investment Group, LLC	1,879	1,963,614