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# Return of Private Foundation

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

2016

Department of the Treasury  
Internal Revenue Service

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► Information about Form 990-PF and its separate instructions is at [www.irs.gov/form990pf](http://www.irs.gov/form990pf).

Open to Public Inspection

For calendar year 2016 or tax year beginning

, 2016, and ending

, 20

Name of foundation <b>KEMP FOUNDATION INCORPORATED</b>		A Employer identification number <b>56-0630681</b>							
Number and street (or P O box number if mail is not delivered to street address) <b>102 NORTH ANDREWS AVENUE</b>		B Telephone number (see instructions) <b>(919) 734-2779</b>							
City or town, state or province, country, and ZIP or foreign postal code <b>GOLDSBORO, NC 27530</b>		C If exemption application is pending, check here ► <input type="checkbox"/>							
<b>G</b> Check all that apply: <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; text-align: center;"><input type="checkbox"/> Initial return</td> <td style="width: 33%; text-align: center;"><input type="checkbox"/> Final return</td> <td style="width: 33%; text-align: center;"><input type="checkbox"/> Initial return of a former public charity</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/> Address change</td> <td style="text-align: center;"><input type="checkbox"/> Amended return</td> <td style="text-align: center;"><input type="checkbox"/> Name change</td> </tr> </table>		<input type="checkbox"/> Initial return	<input type="checkbox"/> Final return	<input type="checkbox"/> Initial return of a former public charity	<input type="checkbox"/> Address change	<input type="checkbox"/> Amended return	<input type="checkbox"/> Name change	D 1. Foreign organizations, check here ► <input type="checkbox"/>	
<input type="checkbox"/> Initial return	<input type="checkbox"/> Final return	<input type="checkbox"/> Initial return of a former public charity							
<input type="checkbox"/> Address change	<input type="checkbox"/> Amended return	<input type="checkbox"/> Name change							
		2 Foreign organizations meeting the 85% test, check here and attach computation ► <input type="checkbox"/>							
<b>H</b> Check type of organization <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation</td> <td style="width: 50%; text-align: center;"><input type="checkbox"/> Other taxable private foundation</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust</td> <td style="text-align: center;"><input type="checkbox"/> Other taxable private foundation</td> </tr> </table>		<input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation	<input type="checkbox"/> Other taxable private foundation	<input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust	<input type="checkbox"/> Other taxable private foundation	E If private foundation status was terminated under section 507(b)(1)(A), check here ► <input type="checkbox"/>			
<input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation	<input type="checkbox"/> Other taxable private foundation								
<input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust	<input type="checkbox"/> Other taxable private foundation								
<b>I</b> Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ <b>315,916</b>		<b>J</b> Accounting method <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><input checked="" type="checkbox"/> Cash</td> <td style="width: 50%; text-align: center;"><input type="checkbox"/> Accrual</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/> Other (specify) _____</td> <td style="text-align: center;"><input type="checkbox"/> Other (specify) _____</td> </tr> </table> (Part I, column (d) must be on cash basis)		<input checked="" type="checkbox"/> Cash	<input type="checkbox"/> Accrual	<input type="checkbox"/> Other (specify) _____	<input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► <input type="checkbox"/>	
<input checked="" type="checkbox"/> Cash	<input type="checkbox"/> Accrual								
<input type="checkbox"/> Other (specify) _____	<input type="checkbox"/> Other (specify) _____								
<b>Part I</b> <b>Analysis of Revenue and Expenses</b> (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 4 Dividends and interest from securities 5a Gross rents b Net rental income or (loss) 6a Net gain or (loss) from sale of assets not on line 10 b Gross sales price for all assets on line 6a 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				STM106	2	2	10,307	10,307	
					9,945	9,945			
					244	1	20,498	20,254	
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) 19 Depreciation (attach schedule) and depletion 20 Occupancy 21 Travel, conferences, and meetings 22 Printing and publications 23 Other expenses (attach schedule) 24 Total operating and administrative expenses.				STM108	950	950			
				STM109	3,165	3,165			
				STM110	331				
					149				
					4,595	4,115	0		
					19,666		19,666		
Add lines 13 through 23 25 Contributions, gifts, grants paid 26 Total expenses and disbursements. Add lines 24 and 25					24,261	4,115	19,666		
27 Subtract line 26 from line 12 a Excess of revenue over expenses and disbursements b Net investment income (if negative, enter -0-) c Adjusted net income (if negative, enter -0-)					(3,763)				
					16,139				
					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	End of year		
			(a) Book Value	(b) Book Value	(c) Fair Market Value	
<b>Assets</b>	1	6,207	6,764	6,764		
	2					
	3					
	4					
	5					
	6					
	7					
	8					
	9					
	10a	Investments - U S and state government obligations (attach schedule)				
	b	Investments - corporate stock (attach schedule)	STM137	222,361	218,041	309,152
	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)				
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)		228,568	224,805	315,916	
<b>Liabilities</b>	17					
	18					
	19					
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe	)	0	0	
	23	Total liabilities (add lines 17 through 22)				
<b>Net Assets or Fund Balances</b>	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.		X			
	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		228,568	224,805	
	30	Total net assets or fund balances (see instructions)		228,568	224,805	
	31	Total liabilities and net assets/fund balances (see instructions)		228,568	224,805	
<b>Part III Analysis of Changes in Net Assets or Fund Balances</b>						
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	228,568		
2	Enter amount from Part I, line 27a		2	(3,763)		
3	Other increases not included in line 2 (itemize)		3			
4	Add lines 1, 2, and 3		4	224,805		
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	224,805		

**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 2,181 SHS RDGWRTH CRDX LGCP VAL 1			P	12-15-2016	12-29-2016
b 300 SHS ALTRIA GROUP INC			P	06-04-2012	04-08-2016
c 560.991 SHS RDGWRTH CRDX LGCP VAL 1			P	03-21-2013	12-29-2016
d STERNE AGEE LEACH CAPITAL GAIN DIST			P	12-31-2016	12-31-2016
e BUCKEYE PARTNERS LP LT CAP GAIN			P		
(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 36				36	
b 19,066				9,637	9,429
c 9,313				8,856	457
d 36					36
e 23					23
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					
b					9,429
c					457
d					36
e					23
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		9,945
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.

 Yes  No

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

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	24,407	310,340	0.078646
2014	23,040	321,557	0.071651
2013	28,636	313,810	0.091253
2012	31,010	305,240	0.101592
2011	24,985	313,244	0.079762

2 Total of line 1, column (d) . . . . .

2 0.422904

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 0.084581

4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5 . . . . .

4 306,589

5 Multiply line 4 by line 3 . . . . .

5 25,932

6 Enter 1% of net investment income (1% of Part I, line 27b) . . . . .

6 161

7 Add lines 5 and 6 . . . . .

7 26,093

8 Enter qualifying distributions from Part XII, line 4 . . . . .

8 19,666

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 type="checkbox"/> and enter 1% of Part I, line 27b	1 323
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	3 323
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4 0
5	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-	5 323
6	Credits/Payments:	
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a
b	Exempt foreign organizations - tax withheld at source	6b
c	Tax paid with application for extension of time to file (Form 8868)	6c 300
d	Backup withholding erroneously withheld	6d
7	Total credits and payments Add lines 6a through 6d	7 300
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 23
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**

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?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
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		
1c	Did the foundation file Form 1120-POL for this year?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
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?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If "Yes," attach a detailed description of the activities		
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
b	If "Yes," has it filed a tax return on Form 990-T for this year?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If "Yes," attach the statement required by General Instruction T		
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>• By language in the governing instrument, or</li> <li>• 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?</li> </ul>		
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	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ►	
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	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
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	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

**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?	13	X	
Website address ► <u>N/A</u>				
14	The books are in care of ► <u>BETTY KEMP</u>	Telephone no	► <u>919-734-2779</u>	
	Located at ► <u>102 N ANDREWS AVENUE, GOLDSBORO, NC</u>	ZIP+4	► <u>27532</u>	
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	► <input type="checkbox"/>	
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

**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 <b>any</b> 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	
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? If "Yes," list the years ►	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	Are there any years listed in 2a for which the foundation is <b>not</b> 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	
c	If the provisions of section 4942(a)(2) are being applied to <b>any</b> of the years listed in 2a, list the years here ►		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If "Yes," did it have excess business holdings in 2016 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2016)	3b	
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

**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:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	(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 type="checkbox"/> Yes <input checked="" 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)? Organizations relying on a current notice regarding disaster assistance check here	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		5b	
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? If "Yes," attach the statement required by Regulations section 53.4945-5(d)	<input type="checkbox"/> Yes <input type="checkbox"/> No			
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	X
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
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	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
BETTY KEMP 102 N ANDREWS AVENUE, NC 27532	PRESIDENT 0.50	0	0	0
ELIZABETH NEESE 701 BEECH STREET, GOLDSBORO, NC 27530	VICE-PRESIDENT 0.00	0	0	0
JAMES B NEESE 701 BEECH STREET, GOLDSBORO, NC 27530	DIRECTOR 0.00	0	0	0
SALLIE KEMP 59 ULASIK ROAD, CANTERBURY, CT 06331	TREASURER 0.00	0	0	0

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

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

Total number of other employees paid over \$50,000 ►

0

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

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

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**

EEA

**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		1a	304,773
a	Average monthly fair market value of securities		1b	6,485
b	Average of monthly cash balances		1c	0
c	Fair market value of all other assets (see instructions)		1d	311,258
d	<b>Total</b> (add lines 1a, b, and c)			
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	0
3	Subtract line 2 from line 1d		3	311,258
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	4,669
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3 Enter here and on Part V, line 4		5	306,589
6	<b>Minimum investment return.</b> Enter 5% of line 5		6	15,329

**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	15,329
2a	Tax on investment income for 2016 from Part VI line 5	2a	323
b	Income tax for 2016 (This does not include the tax from Part VI )	2b	
c	Add lines 2a and 2b	2c	323
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	15,006
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	15,006
6	Deduction from distributable amount (see instructions)	6	
7	<b>Distributable amount as adjusted</b> Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	15,006

**Part XII Qualifying Distributions** (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes	1a	19,666
a	Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1b	
b	Program-related investments - total from Part IX-B	2	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	3a	
3	Amounts set aside for specific charitable projects that satisfy the	3b	
a	Suitability test (prior IRS approval required)	4	19,666
b	Cash distribution test (attach the required schedule)	5	
4	<b>Qualifying distributions.</b> Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	6	19,666
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)		
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4		

**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				15,006
2 Undistributed income, if any, as of the end of 2016.				
a Enter amount for 2015 only				
b Total for prior years.				
3 Excess distributions carryover, if any, to 2016				
a From 2011	9,643			
b From 2012	16,100			
c From 2013	13,243			
d From 2014	7,261			
e From 2015	9,221			
f Total of lines 3a through e	55,468			
4 Qualifying distributions for 2016 from Part XII, line 4 ► \$ 19,666				
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)				
d Applied to 2016 distributable amount				15,006
e Remaining amount distributed out of corpus	4,660			
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:	60,128			
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				
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)	9,643			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	50,485			
10 Analysis of line 9				
a Excess from 2012	16,100			
b Excess from 2013	13,243			
c Excess from 2014	7,261			
d Excess from 2015	9,221			
e Excess from 2016	4,660			

**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 foundation is a private operating foundation described in section				<input type="checkbox"/>	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						
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) )

NA

- 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

NA

**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

990APP

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

- c Any submission deadlines:

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

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<b>Name and address (home or business)</b>				
<b>a Paid during the year</b>				
ARTS COUNCIL OF WAYNE COUNTY				100
CROSS DOG MINISTRIES				5,000
FRIENDS OF THE WAYNE COUNTY LIBRARY				50
GEORGE WHITFIELD BASEBALL CLINIC				60
MHA OF WAYNE COUNTY				100
NC MUSEUM OF HISTORY				100
PARAMOUNT THEATRE FOUNDATION				226
ST. PAUL UNITED METHODIST CHURCH				80
<b>Total</b>			► 3a	
<b>b Approved for future payment</b>				
<b>Total</b>			► 3b	

**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
<b>Name and address (home or business)</b>				
<i>a Paid during the year</i>				
ST. STEPHENS EPISCOPAL CHURCH				5,900
THE BUSHNELL THEATER OF THE ARTS				1,000
THE GOOD SPEED OPERA HOUSE				2,000
WAYNE COMMUNITY COLLEGE FOUNDATION				50
WAYNE COUNTRY DAY SCHOOL				5,000
<b>Total</b>			► 3a	19,666
<i>b Approved for future payment</i>				
<b>Total</b>			► 3b	

## Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions )
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	2	
4 Dividends and interest from securities			14	10,307	
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	9,945	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				20,254	
13 Total. Add line 12, columns (b), (d), and (e)				13	20,254

(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 )



## Federal Supporting Statements

2016 PG01

Name(s) as shown on return

KEMP FOUNDATION INCORPORATED

FEIN

56-0630681

FORM 990PF - PART II - LINE 10(B)  
INVESTMENTS: CORPORATE STOCK SCHEDULE

STATEMENT #137

CATEGORY	BOY	BOOK VALUE	EOY FMV
1,000 GENERAL ELECTRIC	10,986	10,986	31,600
1,000 TRIANGLE CAPITAL CORP	10,573	10,573	18,340
700 ALTRIA GROUP INC	32,124	22,486	47,334
500 DUKE ENERGY	25,381	25,381	38,810
560.991 RIDGEWORTH FUNDS	8,855		
300 BUCKEYE PARTNERS LP	16,350	14,902	19,848
423.73 MFS BLENDED RESEARCH	6,587	6,587	10,106
500 BB&T CORP	10,518	10,518	23,510
500 COCA-COLA COMPANY	19,388	19,388	20,730
300 GLAXOSMITHKLINE PLC	15,058	15,058	11,553
212 ISHARES	22,266	22,266	22,247
300 CSX CORP	7,940	7,940	10,779
50 APPLE INC	6,527	6,527	5,791
200 LOWES COMPANIES INC	14,117	14,117	14,224
200 PROCTER & GAMBLE COMPANY	15,691	15,691	16,816
200 KRAFT HEINZ CO		15,621	17,464
 TOTALS	 222,361	 218,041	 309,152

## Federal Supporting Statements

Name(s) as shown on return

KEMP FOUNDATION INCORPORATED

2016 PG01

Your Social Security Number  
56-0630681

### FORM 990PF - PART I - LINE 23 - OTHER EXPENSES SCHEDULE

DESCRIPTION	REVENUE AND EXPENSES	NET INVESTMENT	ADJUSTED NET INCOME	CHARITABLE PURPOSE
OFFICE SUPPLIES	124	0	0	0
BANK CHARGES	25	0	0	0
<b>TOTALS</b>	<b>149</b>	<b>0</b>	<b>0</b>	<b>0</b>

STATEMENT #103~

### FORM 990PF - PART I - LINE 11 - OTHER INCOME SCHEDULE

DESCRIPTION	REVENUE AND EXPENSES	NET INVESTMENT	ADJUSTED NET INCOME
BUCKEYE PARTNERS	(49)	0	0
STERNE AGEE LEACH	293	0	0
<b>TOTALS</b>	<b>244</b>	<b>0</b>	<b>0</b>

STATEMENT #106~

PG01

## Federal Supporting Statements

Name(s) as shown on return

KEMP FOUNDATION INCORPORATED

2016 PG01

Your Social Security Number  
56-0630681

### FORM 990PF - PART I - LINE 16(B) - ACCOUNTING FEES SCHEDULE

DESCRIPTION	REVENUE AND EXPENSES	NET INVESTMENT	ADJUSTED NET INCOME	CHARITABLE PURPOSE
TAX PREPARATION	950	950	0	0
<b>TOTALS</b>	<b>950</b>	<b>950</b>	<b>0</b>	<b>0</b>

### FORM 990PF - PART I - LINE 16(C) - OTHER PROFESSIONAL FEES SCHEDULE

DESCRIPTION	REVENUE AND EXPENSES	NET INVESTMENT	ADJUSTED NET INCOME	CHARITABLE PURPOSE
INVESTMENT MANAGEMENT FEES	3,165	3,165	0	0
<b>TOTALS</b>	<b>3,165</b>	<b>3,165</b>	<b>0</b>	<b>0</b>

STATEMENT #108~

PG01  
STATEMENT #109~

## Federal Supporting Statements

	<b>2016</b>	PG01
Name(s) as shown on return		
KEMP FOUNDATION INCORPORATED		
	Your Social Security Number	
	56-0630681	

### FORM 990PF - PART I - LINE 18 - TAXES SCHEDULE

STATEMENT #110-

DESCRIPTION	REVENUE AND EXPENSES	NET INVESTMENT	ADJUSTED NET INCOME	CHARITABLE PURPOSE
US TREASURY	<u>331</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTALS</b>	<b><u>331</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>

**Federal Supporting Statements****2016 PG01**

Name(s) as shown on return

Your Social Security Number

KEMP FOUNDATION INCORPORATED

56-0630681

**FORM 990PF - PART XV - LINE 2  
APPLICATION SUBMISSION INFORMATION****GRANT PROGRAM****APPLICANT NAME**

MRS BETTY KEMP

**ADDRESS**102 N ANDREWS AVENUE  
GOLDSBORO, NC 27530**TELEPHONE**

919-734-2779

**EMAIL ADDRESS****FORM & CONTENT**

NO SPECIFIC FORM REQUIRED

**SUBMISSION DEADLINE**

NO DEADLINES

**RESTRICTIONS ON AWARD**

NO RESTRICTIONS