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Department of the Treasury
Internal Revenue Service**Return of Private Foundation**
or Section 4947(a)(1) Trust Treated as Private Foundation

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

OMB No. 1545-0052

2016

Open to Public Inspection

For calendar year 2016 or tax year beginning

, 2016, and ending

, 20

Name of foundation THE HENDRICKS FOUNDATION		A Employer identification number 56-6046966
Number and street (or P.O. box number if mail is not delivered to street address) 2846 BERWICK LN	Room/suite	B Telephone number (see instructions) 704-867-6153 PRESS 5
City or town, state or province, country, and ZIP or foreign postal code GASTONIA, NC 28054-6053		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 ☐
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 1,117,799	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	94	94		
	4 Dividends and interest from securities	46793	46793		
	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	46887	46887			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	6000	6000		6000
	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) EXCISE	200	200		200
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) BANK & BROKERAGE FEES	41	41		41
	24 Total operating and administrative expenses. Add lines 13 through 23	6241	6241		6241
	25 Contributions, gifts, grants paid	38950			38950
26 Total expenses and disbursements. Add lines 24 and 25	45191	6241		45191	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	1696				
b Net investment income (if negative, enter -0-)		40646			
c Adjusted net income (if negative, enter -0-)					

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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	7322	6094	6094
	2 Savings and temporary cash investments	157519	160443	161143
	3 Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶ Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach schedule) ▶ Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments—U.S. and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)	593326	601964	950562
	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)	758167	768501	1117799	
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)			
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			
	30 Total net assets or fund balances (see instructions)	758167	768501	
	31 Total liabilities and net assets/fund balances (see instructions)	758167	768501	

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	758167
2 Enter amount from Part I, line 27a	2	1696
3 Other increases not included in line 2 (itemize) ▶ <i>STOCK DIVIDEND SPOFF FROM H.P. INC OF 280 SHARES QUALITY CARE PRODUCTS (QCP)</i>	3	8638
4 Add lines 1, 2, and 3	4	768501
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	768501

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				
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				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
a				
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	
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 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	54,715	1,013,233	.05400	
2014	59,519	1,064,680	.05590	
2013	34,965	1,081,272	.03234	
2012	31,736	1,072,558	.02961	
2011	61,148	1,034,070	.05913	
2 Total of line 1, column (d)			2	1,23098
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	.04620
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5			4	893,312
5 Multiply line 4 by line 3			5	91,271
6 Enter 1% of net investment income (1% of Part I, line 27b)			6	406
7 Add lines 5 and 6			7	41,677
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	45,191

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	406	-
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	406	-
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	406	-
6	Credits/Payments:			
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	2089	-
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	2089	-
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		
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	1683	-
11	Enter the amount of line 10 to be: Credited to 2017 estimated tax ☒ 1683 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	No
1a				X
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1b		X
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.				
c	Did the foundation file Form 1120-POL for this year?	1c		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? If "Yes," attach a detailed description of the activities.	2		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? If "Yes," attach a conformed copy of the changes	3		X
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	4b	N/A	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.	5		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?	6	X	
7	Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► NORTH CAROLINA			
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	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? If "Yes," complete Part XIV	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

Part VII-A Statements Regarding Activities (continued)

	Yes	No
11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11	☒
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	☒
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>N/A</u>	13	☒
14 The books are in care of ► <u>SHIRLEY H. COX AND/OR CARLINED. COX</u> Telephone no. ► <u>704-867-6153 PRESS 5</u> Located at ► <u>2846 BERWICK LN, GASTONIA, NC</u> ZIP+4 ► <u>28054-6053</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	<u>N/A</u>
16 At any time during calendar year 2016, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ►	16	☒

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)? Organizations relying on a current notice regarding disaster assistance check here . . . <u>N/A</u> . . . ► ☐	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	☒
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? ☐ Yes ☒ 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	☐
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	☐
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	☒
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	☒

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

- 5a** During the year did the foundation pay or incur any amount to:
- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions) ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No
- b** If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? ☐ Yes ☒ No
- Organizations relying on a current notice regarding disaster assistance check here *N/A* ☐
- 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? *N/A* ☐ Yes ☐ No
- If "Yes," attach the statement required by Regulations section 53.4945–5(d).
- 6a** Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No
- b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No
- If "Yes" to 6b, file Form 8870.
- 7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No
- b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No

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
SHIRLEY HENDRICKS COX 28054-2846 BERWICK LN, GASTONIA, NC 6053	PRESIDENT 2 HRS. TREASURER	-0-	-0-	-0-
CAROLINE D. COX 28056-3013 MISTY RIDGE CT GASTONIA, NC 7576	V-P, ASST. TREASURER 8 HRS. MANAGER	\$6,000.00	-0-	-0-
KELLEN COX JAHN 31326-325 PURPLE PLUM DR. RINCON, GA 5672	SECRETARY 1.50 HRS	-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 ☐

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

Part IX-A Summary of Direct Charitable Activities**Part IX-B Summary of Program-Related Investments** (see instructions)Form **990-PF** (2016)

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	961,294
b	Average of monthly cash balances	1b	82,018
c	Fair market value of all other assets (see instructions)	1c	-
d	Total (add lines 1a, b, and c)	1d	1,043,312
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	1,043,312
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions) <i>SEE ATTACHED LETTER</i>	4	150,000
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	893,312
6	Minimum investment return. Enter 5% of line 5	6	44,656

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	44,656
2a	Tax on investment income for 2016 from Part VI, line 5	2a	406
b	Income tax for 2016. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	406
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	42,250
4	Recoveries of amounts treated as qualifying distributions	4	-
5	Add lines 3 and 4	5	42,250
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	42,250

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	45191
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	45191
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	406
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	44785

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				<u>42250</u>
2 Undistributed income, if any, as of the end of 2016:				
a Enter amount for 2015 only			<u>- 0 -</u>	
b Total for prior years: 20 <u> </u> , 20 <u> </u> , 20 <u> </u>		<u>- 0 -</u>		
3 Excess distributions carryover, if any, to 2016:				
a From 2011				
b From 2012				
c From 2013				
d From 2014 <u>5766</u>				
e From 2015 <u>4877</u>				
f Total of lines 3a through e	<u>10643</u>			
4 Qualifying distributions for 2016 from Part XII, line 4: ► \$ <u> </u>				
a Applied to 2015, but not more than line 2a			<u>- 0 -</u>	
b Applied to undistributed income of prior years (Election required—see instructions)		<u>- 0 -</u>		
c Treated as distributions out of corpus (Election required—see instructions)	<u>- 0 -</u>			
d Applied to 2016 distributable amount				<u>45191</u>
e Remaining amount distributed out of corpus	<u>2941</u>			
5 Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a).)	<u>- 0 -</u>			
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	<u>13584</u>			
b Prior years' undistributed income. Subtract line 4b from line 2b		<u>- 0 -</u>		
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		<u>- 0 -</u>		
d Subtract line 6c from line 6b. Taxable amount—see instructions		<u>- 0 -</u>		
e Undistributed income for 2015. Subtract line 4a from line 2a. Taxable amount—see instructions			<u>- 0 -</u>	
f Undistributed income for 2016. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2017				<u>- 0 -</u>
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)	<u>- 0 -</u>			
8 Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions)	<u>- 0 -</u>			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	<u>13584</u>			
10 Analysis of line 9:				
a Excess from 2012 <u>- 0 -</u>				
b Excess from 2013 <u>- 0 -</u>				
c Excess from 2014 <u>5766</u>				
d Excess from 2015 <u>4877</u>				
e Excess from 2016 <u>2941</u>				

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 ☐ 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	
85% of line 2a				
Qualifying distributions from Part XII, line 4 for each year listed				
Amounts included in line 2c not used directly for active conduct of exempt activities				
Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c				
3 Complete 3a, b, or c for the alternative test relied upon:				
a "Assets" alternative test—enter:				
(1) Value of all assets				
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)				
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed				
c "Support" alternative test—enter:				
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)				
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)				
(3) Largest amount of support from an exempt organization				
(4) Gross investment income				

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

1 Information Regarding Foundation Managers:

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

NONE

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

NONE

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

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

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

N/A

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

N/A

c Any submission deadlines:

N/A

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

NOT LOOKING FOR ADDITIONAL REQUESTS

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) | X |
| | (2) Other assets | 1a(2) | X |
| b | Other transactions: | | |
| | (1) Sales of assets to a noncharitable exempt organization | 1b(1) | X |
| | (2) Purchases of assets from a noncharitable exempt organization | 1b(2) | X |
| | (3) Rental of facilities, equipment, or other assets | 1b(3) | X |
| | (4) Reimbursement arrangements | 1b(4) | X |
| | (5) Loans or loan guarantees | 1b(5) | X |
| | (6) Performance of services or membership or fundraising solicitations | 1b(6) | X |
| c | Sharing of facilities, equipment, mailing lists, other assets, or paid employees | 1c | X |
| d | If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received. | | |

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
N/A			

- 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
<i>N/A</i>		

**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.

Signature of officer or trustee

5-3-2017
Date

PRESIDENT
Title

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

**Paid
Preparer
Use Only**

Print/Type preparer's name _____

Preparer's signature

Date

Check ☐ if self-employed

PTIN

Firm's name ▶

Firm's EN ►

Firm's address ►

Phone no.

E.I #56-6046966
HENDRICKS FOUNDATION
Schedule Part II Line 10b
Year Ended Dec. 31, 2016

Stocks		Book Value	Fair Market
Common Shares			
5,000	American Eagle Outfitters (AEO)	56,652	75,850
3,074	Duke Energy Corp New (DUK)	97,867	238,604
1,820	Entergy Corp New (ETR)	41,047	133,715
4,672	FirstEnergy Corp (FE)	141,892	144,692
2,300	Gladstone Comm. Corp (GOOD)	41,259	46,230
1,050	GlaxoSmithKline PLC (GSK)	57,944	40,436
1,400	HCP Inc (HCP)	59,183	41,608
1,890	Public Serv. Enter. GP (PEG)	13,849	82,933
280	Quality Care Prop., Inc (QCP)	8,638	4,340
2,000	Spectra Energy Corp (SE)	24,008	82,180
960	Williams Co., Inc (WMB)	10,027	29,894
4,700	Voya Risk Managed (IRR)	49,598	30,080
Totals		601,964	950,562

E.I. #56-60469666 Hendricks Foundation

Explanation for Figure Used on Line 4, Part X

"Cash deemed held for charitable activities"

An analysis of the foundation finances including our tax returns for the years 2005 through 2015 shows that a more reasonable and realistic figure for the amount of "cash deemed held for charitable activities" is \$150,000. For the aforementioned period, our average annual expenditures were \$58,763 and our average cash balances were \$298,314. The Hendricks Foundation is not a fundraising organization – it basically donates as much as it can while maintaining the corpus of its investments that provide the income to carrying on its charitable giving.

To cover just our annual contributions and expenses, we need to keep liquid funds of approximately \$60,000 on hand. This amount allows us to meet our obligations throughout the year regardless of the exact cash flow timing of investment income. The foundation, to be fiscally prudent, also maintains a larger sum in reserve to cover contingences, such as, extraordinary gift giving or investment opportunities and to avoid costly bank and/or brokerage fees whenever possible.

We are proposing and using a figure between the amount we pay out annually and the contingency cushion that sound financial policy dictates: $\$58,763 + \$298,314 = \$357,077$ divided by 2 comes to \$178,539 which we are rounding down to \$150,000. This \$150,000 figure is far more reflective of our actual cash situation and will be used on Line 4, Part X. Under the 990-PF's current formula, any lesser amount puts the foundation in the untenable position of often having to spend out of corpus to meet our distributable requirements (which may still occur depending upon investment returns and stock market fluctuations).

Thank you for allowing us to explain our position on this matter. We will use this same explanation letter and \$150,000 figure for future tax returns until our financial situation changes significantly enough to warrant a different figure and/or explanation.

Respectfully,

A handwritten signature in black ink that reads "Shirley Hendricks Cox". The signature is written in a cursive, flowing style.

Shirley Hendricks Cox, President

Jan 1, 2016 to Dec 31, 2016

Animal League of Gaston County	100
ASPCA	100
Boy Scout Troop 28 - Antioch Lutheran	50
Boys and Girls Club of Greater Gaston	500
Brother/Sisterhood of WNCC UMC	100
Cancer Services of Gaston County	8,000
Carolina Equine Rescue & Assistance	100
Carolina Voices	200
Carolinas Golf Foundation	200
Caromont Health Foundation	1,500
Community Foundation of Gaston County	8,200
Community Table	200
Daniel Stowe Botanical Garden	1,000
East Baptist Church	100
Ella May Wiggins Memorial Committee	500
FENCE	100
First United Methodist Ch	3,550
Forest Hill Church	3,000
Gaston School of the Arts	500
Gaston Together	250
Girl Scouts of Historic Georgia	250
Heart Society	250
Hope for Haiti Inc	500
Humane Society of the United States	100
Independent Institute	200
Jane Goodall Institute	500
Jericho Historical Society	200
Lauren Kimsey Fdn for Synovial Sarcoma	300
Little Theater of Gastonia	500
Mount Vernon Ladies' Association	300
National MS Society	100
National Resources Defense Council	100
National Wildlife Federation	100
National World War II Museum	100
Partners of the Americas	500
Queen of the Apostles Catholic Church	1,000
Sacramento History Museum	100
Schiele Museum	2,500
Smile Train	250
Society of St. Andrew	200
S. Effingham Elem School PTO	1,000
Southern Dharma Retreat Center	200
St Michael Catholic Church	100
Summit Church	500
Tri-County Animal Rescue	50
UNC-TV	200
Wikipedia Foundation Inc	200
Wounded Warrior Project	100
WTVI PBS Charlotte	200
Young America's Fdn	100

TOTAL	38,950
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