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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 separate instructions is at www.irs.gov/form990pf.

2016

Open to Public Inspection

For calendar year 2016 or tax year beginning 2016, and ending

THE INSTITUTE FOR SPIRITUAL RESEARCH INC
P.O. BOX 3516
SEDONA, AZ 86340-3516

A Employer identification number
94-2898927

B Telephone number (see instructions)
(928) 282-5446

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity
☐ Final return ☐ Amended return
☐ Address change ☐ Name change

H Check type of organization: ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, column (c), line 16)
\$ 2,771,757.
J Accounting method ☒ Cash ☐ Accrual
☐ Other (specify) (Part I, column (d) must be on cash basis)

C If exemption application is pending, check here ☐

D 1 Foreign organizations, check here ☐

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

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

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

Part I Analysis of Revenue and Expenses

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)

(a) Revenue and expenses per books

(b) Net investment income

(c) Adjusted net income

(d) Disbursements for charitable purposes (cash basis only)

REVENUE	1	Contributions, gifts, grants, etc., received (attach schedule)	444,596.			
	2	Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3	Interest on savings and temporary cash investments	341.	341.	341.	
	4	Dividends and interest from securities	38,931.	38,931.	38,931.	
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	8,012.			
	b	Gross sales price for all assets on line 6a	924,189.			
	7	Capital gain net income (from Part IV, line 2)		8,012.		
	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	491,880.	47,284.	39,272.		
ADMINISTRATIVE AND EXPENSES	13	Compensation of officers, directors, trustees, etc	0.			
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach sch) See St 1	1,100.			
	c	Other professional fees (attach sch) See St 2	26,143.	26,143.		
	17	Interest				
	18	Taxes (attach schedule) (see instrs) See Stmt 3	3,722.			
	19	Depreciation (attach schedule) and depletion See Stmt 4	6,283.			
	20	Occupancy	2,984.			
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule) See Statement 5	5,166.			
	24	Total operating and administrative expenses. Add lines 13 through 23	45,398.	26,143.		
25	Contributions, gifts, grants paid Stmt 6	14,550.			14,550.	
26	Total expenses and disbursements. Add lines 24 and 25	59,948.	26,143.	0.	14,550.	
27	Subtract line 26 from line 12:					
a	Excess of revenue over expenses and disbursements	431,932.				
b	Net investment income (if negative, enter -0-)		21,141.			
c	Adjusted net income (if negative, enter -0-)			39,272.		

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
ASSETS	1	Cash — non-interest-bearing		144,168.	148,818.	148,818.
	2	Savings and temporary cash investments		232,929.	196,677.	196,677.
	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 sch)				
		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)		531,709.	531,709.	
	b	Investments — corporate stock (attach schedule)	1,942,162.	1,492,510.	1,481,637.	
	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	472,941.				
	Less: accumulated depreciation (attach schedule) See Stmt 7	60,025.	10,199.	412,916.	412,916.	
15	Other assets (describe)					
16	Total assets (to be completed by all filers — see the instructions. Also, see page 1, item I)		2,329,458.	2,782,630.	2,771,757.	
LIABILITIES	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, & other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe)				
	23	Total liabilities (add lines 17 through 22)		0.	0.	
NET ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input type="checkbox"/>					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>					
	27	Capital stock, trust principal, or current funds	2,329,458.	2,782,630.		
	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)	2,329,458.	2,782,630.		
	31	Total liabilities and net assets/fund balances (see instructions)	2,329,458.	2,782,630.		

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	2,329,458.
2	Enter amount from Part I, line 27a	2	431,932.
3	Other increases not included in line 2 (itemize) See Statement 8	3	21,240.
4	Add lines 1, 2, and 3	4	2,782,630.
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	2,782,630.

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 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1 a	SEE ATTACHED WELLS FARGO	P	Various	Various
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 924,189.		916,177.	8,012.
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			8,012.
b			
c			
d			
e			

2 Capital gain net income or (net capital loss).	<div style="border: 1px solid black; padding: 2px;"> If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 </div>	2	8,012.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)	<div style="border: 1px solid black; padding: 2px;"> If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8 </div>	3	0.

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

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

N/A

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.

(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			
2014			
2013			
2012			
2011			

2 Total of line 1, column (d)	2	
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	
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	
5 Multiply line 4 by line 3	5	
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	
7 Add lines 5 and 6	7	
8 Enter qualifying distributions from Part XII, line 4	8	

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)

1 a 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	423.
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	423.
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	423.
6 Credits/Payments			
a 2016 estimated tax pmts and 2015 overpayment credited to 2016	6a	600.	
b Exempt foreign organizations – tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	248.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	848.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	425.	
11 Enter the amount of line 10 to be. Credited to 2017 estimated tax <input type="checkbox"/> 425. Refunded <input type="checkbox"/>	11	0.	

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? <i>If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?		X
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, col. (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) AZ		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If 'No,' attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>		X

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Form 990-PF (2016)

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5 a** 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)?

5 b

N/A

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?

N/A

☐ Yes ☐ No

If 'Yes,' attach the statement required by Regulations section 53.4945–5(d)

6 a 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?

6 b

X

If 'Yes' to 6b, file Form 8870

7 a 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?

N/A

7 b

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
SUSAN HAWKINS 151 KELLER LN. SEDONA, AZ 86336	President 5.00	0.	0.	0.
WALLY ARNOLD 224 OREGON ST. EL SEGUNDO, CA 90245	Vice Preside 1.00	0.	0.	0.
KATHY ARNOLD 224 OREGON ST. EL SEGUNDO, CA 90245	Secretary 1.00	0.	0.	0.
FRAN GRACE P.O. BOX 1435 REDLANDS, CA 92373	Treasurer 1.00	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 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	1 a	
b Average of monthly cash balances	1 b	
c Fair market value of all other assets (see instructions)	1 c	
d Total (add lines 1a, b, and c)	1 d	0.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1 e	
2 Acquisition indebtedness applicable to line 1 assets	2	
3 Subtract line 2 from line 1d	3	
4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	0.
6 Minimum investment return. Enter 5% of line 5	6	0.

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	
2 a Tax on investment income for 2016 from Part VI, line 5	2 a	423.
b Income tax for 2016. (This does not include the tax from Part VI)	2 b	
c Add lines 2a and 2b	2 c	423.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	-423.
4 Recoveries of amounts treated as qualifying distributions	4	
5 Add lines 3 and 4	5	-423.
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	0.

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	1 a	14,550.
b Program-related investments — total from Part IX-B	1 b	
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)	3 a	
b Cash distribution test (attach the required schedule)	3 b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	14,550.
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	14,550.

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				0.
2 Undistributed income, if any, as of the end of 2016.				
a Enter amount for 2015 only			0.	
b Total for prior years. 20____, 20____, 20____		0.		
3 Excess distributions carryover, if any, to 2016.				
a From 2011				
b From 2012	11,182.			
c From 2013	1,906.			
d From 2014	4,380.			
e From 2015	5,250.			
f Total of lines 3a through e	22,718.			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ \$ 14,550.				
a Applied to 2015, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required – see instructions)		0.		
c Treated as distributions out of corpus (Election required – see instructions)	0.			
d Applied to 2016 distributable amount				0.
e Remaining amount distributed out of corpus	14,550.			
5 Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	37,268.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
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		0.		
d Subtract line 6c from line 6b Taxable amount – see instructions		0.		
e Undistributed income for 2015 Subtract line 4a from line 2a Taxable amount – see instructions			0.	
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2017				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required – see instructions)	0.			
8 Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	37,268.			
10 Analysis of line 9				
a Excess from 2012	11,182.			
b Excess from 2013	1,906.			
c Excess from 2014	4,380.			
d Excess from 2015	5,250.			
e Excess from 2016	14,550.			

BAA

Form 990-PF (2016)

N/A

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

(4) Gross investment income

[illegible]

1 Information Regarding Foundation Managers:

None

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:

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

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

► **Attach to Form 990, Form 990-EZ, or Form 990-PF.**

► Information about Schedule B (Form 990, 990-EZ, 990-PF) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2016

Name of the organization

THE INSTITUTE FOR SPIRITUAL RESEARCH INC

Employer identification number

94-2898927

Organization type (check one)

Filers of:

Form 990 or 990-EZ

Section:

☐ 501(c)() (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year. ► \$ _____

Caution. An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer 'No' on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2016)

Name of organization

THE INSTITUTE FOR SPIRITUAL RESEARCH INC

Employer identification number

94-2898927

Part I Contributors (see instructions) Use duplicate copies of Part I if additional space is needed

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	WILBERT S. FOLDS TRUST 2785 FLORIBUNDA DR. COLUMBUS, OH 43209-3119	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
2	RICHARD & CAROL DRURY P.O. BOX 445 FRIDAY HARBOR, WA 98250	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
3	DAVID R. HAWKINS Q. P. R. TRUST 151 KELLER LANE SEDONA, AZ 86336	\$ 399,000.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II for noncash contributions)
4	EUNYOUNG OH KWONSUNGU MAESILO 70 102-705 KYUNGGIDO, 16395 Korea, Republic of (South)	\$ 7,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)

Employer identification number

94-2898927

Part II

[illegible]

Schedule B (Form 990, 990-EZ, or 990-PF) (2016)

THE INSTITUTE FOR SPIRITUAL RESEARCH INC

94-2898927

Statement 1
Form 990-PF, Part I, Line 16b
Accounting Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Total	\$ 1,100. \$ 1,100.	\$ 0.	\$ 0.	\$ 0.

Statement 2
Form 990-PF, Part I, Line 16c
Other Professional Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
BROKER FEES				
Total	\$ 26,143. \$ 26,143.	\$ 26,143. \$ 26,143.	\$ 0.	\$ 0.

Statement 3
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
PROPERTY TAXES				
Total	\$ 3,722. \$ 3,722.	\$ 0.	\$ 0.	\$ 0.

Statement 4
Form 990-PF, Part I, Line 19
Allocated Depreciation

Date Acquired	Cost Basis	Prior Yr Depr	Method	Rate	Life	Current Yr Depr	Net Invest Income	Adjusted Net Income
LEASEHOLD IMPROVEMENTS								
1/01/11	7,612	5,428	S/L		7	1,087	0	0
LEASEHOLD IMPROVEMENTS								
1/31/12	17,132	9,584	S/L		7	2,447	0	0
COMPUTER								
3/03/12	2,000	1,533	S/L		5	400	0	0
LEASEHOLD IMPROVEMENTS								
8/01/16	10,000		S/L		7	595	0	0
BUILDING								
7/01/16	149,000		S/L	0.0118		1,754	0	0

THE INSTITUTE FOR SPIRITUAL RESEARCH INC

94-2898927

Statement 5
Form 990-PF, Part I, Line 23
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
OUTSIDE SERVICES	\$ 466.			
REPAIRS & MAINTENANCE	4,700.			
Total	\$ 5,166.	\$ 0.	\$ 0.	\$ 0.

Statement 6
Form 990-PF, Part I, Line 25
Contributions, Gifts, and Grants

Cash Grants and Allocations

Class of Activity: DONATION
 Donee's Name: ST. ANDREW'S EPISCOPAL CHURCH
 Donee's Address: 100 ARROYO PINON DR.
 SEDONA AZ 86336
 Organizational Status of Donee: 501(C)3
 Amount Given: \$ 2,000.

Class of Activity: DONATION
 Donee's Name: VARIOUS QUALIFIED CHARITIES
 Organizational Status of Donee: 501(C)3
 Amount Given: 2,550.

Class of Activity: RESEARCH GRANT
 Donee's Name: TAYLOR ZEHREN
 Donee's Address: 254 N. MAIN ST. APT. A
 ASHLAND OR 97520
 Organizational Status of Donee: INDIVIDUAL
 Amount Given: 10,000.

Total \$ 14,550.

Statement 7
Form 990-PF, Part II, Line 14
Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value	Fair Market Value
Machinery and Equipment	\$ 39,197.	\$ 39,197.	\$ 0.	\$ 0.
Buildings	149,000.	1,754.	147,246.	147,246.
Improvements	34,744.	19,074.	15,670.	15,670.
Land	250,000.		250,000.	250,000.
Total	\$ 472,941.	\$ 60,025.	\$ 412,916.	\$ 412,916.

2016

Federal Statements

Page 3

THE INSTITUTE FOR SPIRITUAL RESEARCH INC

94-2898927

Statement 8
Form 990-PF, Part III, Line 3
Other Increases

MUNICIPAL BOND INTEREST

Total \$ 21,240.
\$ 21,240.

Account Statement For
INSTITUTE FOR SPIRITUAL-CONSOLIDATED

Period Covered January 1, 2016 - December 31, 2016

Consolidated Account Number AGG658059

REALIZED GAIN/LOSS DETAIL (continued)

DATE SOLD	QUANTITY	ASSET DESCRIPTION	COST BASIS	PROCEEDS	SHORT TERM REALIZED GAIN/LOSS	LONG TERM REALIZED GAIN/LOSS
07/01/16	25,000.000	PIMA CNTY AZ UNIF SC 4.500% 7/01/16 ACCOUNT NUMBER 65805901 25,000 0000 UNITS ACQUIRED ON 05/14/13	-25,000.00	25,000.00	0.00	0.00
04/08/16	2,795.899	PIMCO EMERG MKTS BD-INST #137 ACCOUNT NUMBER 65805900 2,795 8999 UNITS ACQUIRED ON 12/24/13	-30,000.00	26,952.47	0.00	-3,047.53
04/08/16	2,447.835	PIMCO FOREIGN BD FD USD H-INST #103 ACCOUNT NUMBER 65805900 2,447 8350 UNITS ACQUIRED ON 08/27/14	-27,219.93	24,870.00	0.00	-2,349.93
10/07/16	0.637	REAL ESTATE SELECT SECT SPDR ACCOUNT NUMBER 65805900 0 6370 UNITS ACQUIRED ON 09/22/16	-20.74	19.77	-0.97	0.00
04/12/16	1,745.000	VANGUARD SHORT TERM BOND ETF ACCOUNT NUMBER 65805900 500 0000 UNITS ACQUIRED ON 11/06/12 1,245 0000 UNITS ACQUIRED ON 02/04/16	-140,592.60	140,678.83	383.76	-297.53
04/08/16	15,060.241	WELLS FARGO S/T MUNI-INS #3161 ACCOUNT NUMBER 65805900 15,060 2410 UNITS ACQUIRED ON 08/22/13	-150,000.00	150,000.00	0.00	0.00
07/14/16	3,208.800	WF ULTRA SH-TRM MUNI INC-I #3107 ACCOUNT NUMBER 65805901 64 8000 UNITS ACQUIRED ON 07/06/16 3,144 0000 UNITS ACQUIRED ON 03/03/16	-30,869.30	30,900.74	31.44	0.00
07/15/16	2,824.600	WF ULTRA SH-TRM MUNI INC-I #3107 ACCOUNT NUMBER 65805901 2,824 6000 UNITS ACQUIRED ON 07/06/16	-27,200.90	27,200.90	0.00	0.00
Total This Period			-\$916,177.18	\$924,189.21	-\$4,810.75	\$12,822.78

Gain/Loss information is un-audited and should not be used for tax preparation, estate and/or retirement planning purposes



Account Statement For
INSTITUTE FOR SPIRITUAL-CONSOLIDATED

Period Covered January 1, 2016 - December 31, 2016

Consolidated Account Number AGG658059

REALIZED GAIN/LOSS DETAIL (continued)

DATE SOLD	QUANTITY	ASSET DESCRIPTION	COST BASIS	PROCEEDS	SHORT TERM REALIZED GAIN/LOSS	LONG TERM REALIZED GAIN/LOSS
04/08/16	924.883	EATON VANCE FLOATING RATE FD-I #924 ACCOUNT NUMBER 65805900 924.8830 UNITS ACQUIRED ON 05/30/12	- 8,277.70	7,880.00	0.00	- 397.70
12/01/16	7,507.508	FPA NEW INCOME FUND #78 ACCOUNT NUMBER 65805900 7,507.5080 UNITS ACQUIRED ON 05/22/14	- 77,327.33	75,000.00	0.00	- 2,327.33
03/01/16	25,000.000	INDIANA ST FIN AUTH 5.000% 3/01/16 ACCOUNT NUMBER 65805901 25,000.0000 UNITS ACQUIRED ON 04/04/13	- 25,000.00	25,000.00	0.00	0.00
04/12/16	150.000	ISHARES CORE S & P 500 ETF ACCOUNT NUMBER 65805900 25.0000 UNITS ACQUIRED ON 05/30/12 125.0000 UNITS ACQUIRED ON 06/11/12	- 20,010.49	30,921.82	0.00	10,911.33
04/12/16	290.000	ISHARES CORE S&P MIDCAP ETF ACCOUNT NUMBER 65805900 50.0000 UNITS ACQUIRED ON 05/30/12 75.0000 UNITS ACQUIRED ON 06/11/12 125.0000 UNITS ACQUIRED ON 08/08/12 40.0000 UNITS ACQUIRED ON 01/09/13	- 27,772.84	41,295.10	0.00	13,522.26
04/08/16	1,213.723	JOHCM INTERNATIONAL SEL-I #180 ACCOUNT NUMBER 65805900 1,213.7230 UNITS ACQUIRED ON 05/01/14	- 22,126.17	21,580.00	0.00	- 546.17
12/22/16	10,336.476	LOOMIS SAYLES BOND FD INSTL #1162 ACCOUNT NUMBER 65805900 7,334.1840 UNITS ACQUIRED ON 05/22/14 3,002.2920 UNITS ACQUIRED ON 04/07/16	- 154,300.00	140,265.98	1,441.10	- 15,475.12
07/01/16	25,000.000	MARICOPA CNTY ARIZ 4.125% 7/01/19 ACCOUNT NUMBER 65805901 25,000.0000 UNITS ACQUIRED ON 05/15/13	- 25,000.00	25,000.00	0.00	0.00
04/08/16	876.840	MONDRIAN INTERNATIONAL EQUITY FUND ACCOUNT NUMBER 65805900 876.8400 UNITS ACQUIRED ON 09/30/15	- 11,670.74	11,320.00	- 350.74	0.00





Account Statement For
INSTITUTE FOR SPIRITUAL-CONSOLIDATED

Period Covered January 1, 2016 - December 31, 2016

Consolidated Account Number AGG658059

REALIZED GAIN/LOSS DETAIL

DATE SOLD	QUANTITY	ASSET DESCRIPTION	COST BASIS	PROCEEDS	SHORT TERM REALIZED GAIN/LOSS	LONG TERM REALIZED GAIN/LOSS
04/08/16	552.163	ABERDEEN GLOBAL HIGH INCOME FD #5497 ACCOUNT NUMBER 65805900 499 2160 UNITS ACQUIRED ON 08/08/12 52 9470 UNITS ACQUIRED ON 12/17/13	- \$5,387.59	\$4,340.00	\$0.00	- \$1,047.59
12/22/16	3,366.391	ABERDEEN GLOBAL HIGH INCOME FD #5497 ACCOUNT NUMBER 65805900 2,436 0540 UNITS ACQUIRED ON 11/30/16 930 3370 UNITS ACQUIRED ON 12/17/13	-29,461.53	28,008.37	267.97	-1,721.13
04/12/16	180.000	AMEX CONSUMER DISCR SPDR ACCOUNT NUMBER 65805900 125 0000 UNITS ACQUIRED ON 08/08/12 55 0000 UNITS ACQUIRED ON 12/10/12	-8,188.84	14,135.09	0.00	5,946.25
04/12/16	80.000	AMEX MATERIALS SPDR ACCOUNT NUMBER 65805900 80 0000 UNITS ACQUIRED ON 08/08/12	-2,877.59	3,555.12	0.00	677.53
04/12/16	650.000	AMEX TECHNOLOGY SELECT SPDR ACCOUNT NUMBER 65805900 650 0000 UNITS ACQUIRED ON 08/08/12	-19,506.18	28,716.37	0.00	9,210.19
04/08/16	872.033	ASG GLOBAL ALTERNATIVES-Y #1993 ACCOUNT NUMBER 65805900 872 0330 UNITS ACQUIRED ON 08/16/13	-9,915.02	8,450.00	0.00	-1,465.02
11/02/16	1,502.637	ASG GLOBAL ALTERNATIVES-Y #1993 ACCOUNT NUMBER 65805900 1,502 6370 UNITS ACQUIRED ON 08/16/13	-17,084.98	14,635.68	0.00	-2,449.30
04/12/16	210.000	CONSUMER STAPLES SECTOR SPDR TR ACCOUNT NUMBER 65805900 150 0000 UNITS ACQUIRED ON 08/08/12 60 0000 UNITS ACQUIRED ON 12/10/12	-7,534.19	11,213.76	0.00	3,679.57
01/29/16	350.000	E-TRACS ALERIAN MLP INFRASTRUCTURE ACCOUNT NUMBER 65805900 350 0000 UNITS ACQUIRED ON 02/04/15	-13,832.52	7,249.21	-6,583.31	0.00

79 of 82