

For calendar year 2016, or tax year beginning 07-01-2016, and ending 06-30-2017

Name of foundation KIP KEPHART FOUNDATION		A Employer identification number 54-1890463	
Number and street (or P O box number if mail is not delivered to street address) P O BOX 7315		Room/suite	B Telephone number (see instructions) (804) 354-9955
City or town, state or province, country, and ZIP or foreign postal code RICHMOND, VA 232210315		C If exemption application is pending, check here ☐	
G Check all that apply ☐ Initial return ☐ Final return ☐ Address change ☐ Initial return of a former public charity ☐ Amended return ☐ 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) \$ 1,314,011	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)	38,784			
	2 Check ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	789	789		
	4 Dividends and interest from securities	892	892		
	5a Gross rents	53,436	53,436		
	b Net rental income or (loss) -22,518				
	6a Net gain or (loss) from sale of assets not on line 10 	271,248			
	b Gross sales price for all assets on line 6a 820,047				
	7 Capital gain net income (from Part IV, line 2)		183,525		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule) 	3,037	3,037		
	12 Total. Add lines 1 through 11	368,186	241,679		
	13 Compensation of officers, directors, trustees, etc	16,414	0		4,103
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule) 	491	0		0
	b Accounting fees (attach schedule) 	5,608	4,486		1,122
	c Other professional fees (attach schedule)				
	17 Interest	7,575	7,575		0
	18 Taxes (attach schedule) (see instructions) 	8,858	8,858		0
	19 Depreciation (attach schedule) and depletion 	34,110	31,580		
	20 Occupancy				
	21 Travel, conferences, and meetings	543	0		0
	22 Printing and publications				
	23 Other expenses (attach schedule) 	112,810	21,038		0
	24 Total operating and administrative expenses. Add lines 13 through 23	186,409	73,537		5,225
	25 Contributions, gifts, grants paid	37,577			37,577
	26 Total expenses and disbursements. Add lines 24 and 25	223,986	73,537		42,802
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	144,200			
	b Net investment income (if negative, enter -0-)		168,142		
c Adjusted net income (if negative, enter -0-)					

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)			Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value			
Assets	1	Cash—non-interest-bearing					
	2	Savings and temporary cash investments	310,960	341,118		341,118	
	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)	0	419,234		421,377	
	c	Investments—corporate bonds (attach schedule)					
	11	Investments—land, buildings, and equipment basis ▶ _____ 464,211 Less accumulated depreciation (attach schedule) ▶ _____ 145,892	808,688	318,319		256,129	
	12	Investments—mortgage loans					
	13	Investments—other (attach schedule)					
	14	Land, buildings, and equipment basis ▶ _____ 152,342 Less accumulated depreciation (attach schedule) ▶ _____	152,342	152,342		59,700	
15	Other assets (describe ▶ _____)	238,179	235,687		235,687		
16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	1,510,169	1,466,700		1,314,011		
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).	187,669				
	22	Other liabilities (describe ▶ _____)					
	23	Total liabilities (add lines 17 through 22)	187,669	0			
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.						
	24	Unrestricted					
	25	Temporarily restricted					
	26	Permanently restricted					
	Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.						
	27	Capital stock, trust principal, or current funds	92,436	92,436			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund	0	0			
	29	Retained earnings, accumulated income, endowment, or other funds	1,230,064	1,374,264			
	30	Total net assets or fund balances (see instructions)	1,322,500	1,466,700			
31	Total liabilities and net assets/fund balances (see instructions) .	1,510,169	1,466,700				

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,322,500
2	Enter amount from Part I, line 27a	2	144,200
3	Other increases not included in line 2 (itemize) ▶ _____	3	0
4	Add lines 1, 2, and 3	4	1,466,700
5	Decreases not included in line 2 (itemize) ▶ _____	5	0
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 .	6	1,466,700

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)
1 a 111 N MORRIS ST	P		2017-05-12
b CAPITAL GAINS DIVIDENDS	P		
c INVESTMENT INCOME FROM DEBT-FINANCED PROPERTY	P		2017-06-05
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 360,000	70,350	297,014	133,336
b 47			47
c			50,142
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			133,336
b			47
c			50,142
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	183,525
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8		3	

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

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

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

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

☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2015	58,953	1,017,128	0 057960
2014	61,046	1,174,141	0 051992
2013	46,831	1,023,977	0 045734
2012	46,327	964,743	0 048020
2011	42,248	941,252	0 044885

2 Total of line 1, column (d)	2	0 248591
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 049718
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	704,960
5 Multiply line 4 by line 3	5	35,049
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,681
7 Add lines 5 and 6	7	36,730
8 Enter qualifying distributions from Part XII, line 4	8	42,802

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b	1	1,681
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0
3	Add lines 1 and 2.	3	1,681
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	1,681
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	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d.	7	0
8	Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	6
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed ▶	9	1,687
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid ▶	10	
11	Enter the amount of line 10 to be Credited to 2017 estimated tax ▶ Refunded ▶	11	

Part VII-A Statements Regarding Activities

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

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions).	11		No
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions).	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>KEPHARTFOUNDATION.ORG</u>	13	Yes	
14	The books are in care of ► <u>THE ORGANIZATION</u> Telephone no ► <u>(804) 354-9955</u>			

Located at ► 11401 EAGLES NEST ROAD CHARLES CITY VA ZIP+4 ► 23030

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		
16	At any time during calendar year 2016, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	Yes	No
	See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes," enter the name of the foreign country ►			

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

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

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?	☐ Yes ☒ No		
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No		
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☒ Yes ☐ No		
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☒ Yes ☐ No		
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No		
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days).	☐ Yes ☒ No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?		1b	No
	Organizations relying on a current notice regarding disaster assistance check here.	► ☐		
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2016?		1c	No
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016?	☐ 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	No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?		4b	No

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

5a During the year did the foundation pay or incur any amount to (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No (2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No (4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions). ☐ Yes ☒ No (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No b If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? ☐ Yes ☒ No Organizations relying on a current notice regarding disaster assistance check here. ☐ Yes ☒ No c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☒ No If "Yes," attach the statement required by Regulations section 53.4945–5(d)	5b		
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	6b		No
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	7b		

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).				
(a) Name and address	Title, and average hours per week (b) devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
STEVE RULA JR 11401 EAGLES NEST ROAD CHARLES CITY, VA 230304111	PRESIDENT 10 00	16,414	0	0
GERALDINE HALL P O BOX 7315 RICHMOND, VA 23221	TREASURER 0 00	0	0	0
NEIL S KESSLER PO BOX 1122 RICHMOND, VA 232181122	SECRETARY 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	Title, and average hours per week (b) devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				
Total number of other employees paid over \$50,000.				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".

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services. ►		0

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 ►	0

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities.	1a	52,270
b	Average of monthly cash balances.	1b	263,425
c	Fair market value of all other assets (see instructions).	1c	400,000
d	Total (add lines 1a, b, and c).	1d	715,695
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation).	1e	0
2	Acquisition indebtedness applicable to line 1 assets.	2	0
3	Subtract line 2 from line 1d.	3	715,695
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	10,735
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	704,960
6	Minimum investment return. Enter 5% of line 5.	6	35,248

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	35,248
2a	Tax on investment income for 2016 from Part VI, line 5.	2a	1,681
b	Income tax for 2016 (This does not include the tax from Part VI).	2b	16,748
c	Add lines 2a and 2b.	2c	18,429
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	16,819
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	16,819
6	Deduction from distributable amount (see instructions).	6	0
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1.	7	16,819

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	42,802
b	Program-related investments—total from Part IX-B.	1b	0
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	42,802
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	1,681
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	41,121

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				16,819
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.				
c From 2013.				
d From 2014.				305
e From 2015.				59,161
f Total of lines 3a through e.	59,466			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ \$ <u>42,802</u>				
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.				16,819
e Remaining amount distributed out of corpus	25,983			
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	85,449			
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	85,449			
10 Analysis of line 9				
a Excess from 2012.				
b Excess from 2013.				
c Excess from 2014.				305
d Excess from 2015.				59,161
e Excess from 2016.				25,983

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2016, enter the date of the ruling. ▶

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

2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

	Tax year	Prior 3 years			(e) Total
	(a) 2016	(b) 2015	(c) 2014	(d) 2013	
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed. . .					
c "Support" alternative test—enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii).					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 Information Regarding Foundation Managers:

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

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

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

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

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

STEVE RULA
P O BOX 7315
RICHMOND, VA 232210315
(804) 354-9955
STEVE RULA@AOL.COM

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

SUBMIT REQUEST IN WRITING

c Any submission deadlines

NONE

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

NONE

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

Recipient	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
Name and address (home or business)				
a <i>Paid during the year</i> See Additional Data Table				
Total			3a	37,577
b <i>Approved for future payment</i>				
Total			3b	0

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	789		
4 Dividends and interest from securities. . . .			14	892		
5 Net rental income or (loss) from real estate						
a Debt-financed property.	531110	-2,904				
b Not debt-financed property.			16	-19,614		
6 Net rental income or (loss) from personal property						
7 Other investment income.						
8 Gain or (loss) from sales of assets other than inventory	531110	87,723	18	183,525		
9 Net income or (loss) from special events			01	-2,248		
10 Gross profit or (loss) from sales of inventory						
11 Other revenue						
a MISCELLANEOUS _____			16	3,037		
b _____						
c _____						
d _____						
e _____						
12 Subtotal Add columns (b), (d), and (e). .		84,819		166,381		0
13 Total. Add line 12, columns (b), (d), and (e).			13			251,200

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

Part XVII

- | | Yes | No |
|-------|-----|----|
| 1a(1) | | No |
| 1a(2) | | No |
| 1b(1) | | No |
| 1b(2) | | No |
| 1b(3) | | No |
| 1b(4) | | No |
| 1b(5) | | No |
| 1b(6) | | No |
| 1c | | No |

[illegible]

- 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

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

Print/Type preparer's name LEA S RASMUSSEN	Preparer's Signature	Date	Check if self-employed ► ☐	PTIN P01263883
Firm's name ► MITCHELL WIGGINS & COMPANY LLP				Firm's EIN ► 54-0565834
Firm's address ► 1802 BAYBERRY COURT SUITE 300 RICHMOND, VA 23226				Phone no (804) 282-6000

Form 990PF Part XV Line 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
Name and address (home or business)				
a Paid during the year				
AMERICAN CANCER SOCIETY 4240 PARK PLACE CT GLEN ALLEN, VA 23060	NONE	501(C)(3)	CHARITABLE	25
CHARLES CITY COUNTY SCHOOLS 16261 RICHMOND TPK BOWLING GREEN, VA 224272203	NONE	MUNICIPALITY	EDUCATIONAL	100
GEORGE WATKINS ELEMENTARY SCHOOL 6501 NEW KENT HIGHWAY QUINTON, VA 23141	NONE	MUNICIPALITY	EDUCATIONAL	2,325
HERITAGE LIBRARY 9001 BOULEVARD RD NEW KENT, VA 23124	NONE	501(C)(3)	CHARITABLE	3,386
JB FISHER ELEMENTARY SCHOOL 3701 GARDEN ROAD RICHMOND, VA 23235	NONE	MUNICIPALITY	EDUCATIONAL	655
Total ► 3a				37,577

Form 990PF Part XV Line 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
Name and address (home or business)				
a <i>Paid during the year</i>				
MCSHIN FOUNDATION 2300 DUMBARTON ROAD RICHMOND, VA 23228	NONE	501(C)(3)	CHARITABLE	150
MEMORIAL UNITED METHODIST CHURCH 11000 COURTHOUSE ROAD CHARLES CITY, VA 23030	NONE	501(C)(3)	RELIGIOUS	1,650
NEW KENT COUNTY SHERIFF'S OFFICE 12001 COURTHOUSE CIRCLE NEW KENT, VA 23124	NONE	MUNICIPALITY	CHARITABLE	476
NEW KENT HUMANE SOCIETY PO BOX 104 PROVIDENCE FORGE, VA 23140	NONE	501(C)(3)	CHARITABLE	500
NEW KENT MIDDLE SCHOOL 7501 EGYPT RD NEW KENT, VA 23124	NONE	MUNICIPALITY	EDUCATIONAL	502
Total ► 3a				37,577

Form 990PF Part XV Line 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
Name and address (home or business)				
a <i>Paid during the year</i>				
RICHMOND BALLET 407 E CANAL ST RICHMOND, VA 23219	NONE	501(C)(3)	CHARITABLE	3,017
SALEM CHURCH 4881 SALEM CHURCH RD WAYNESBORO, PA 17268	NONE	501(C)(3)	RELIGIOUS	500
SIDE BY SIDE PO BOX 5542 RICHMOND, VA 232200542	NONE	501(C)(3)	CHARITABLE	1,014
SURRY COUNTY SCHOOLS 45 SCHOOL ST SURRY, VA 23883	NONE	MUNICIPALITY	EDUCATIONAL	8,652
UNIVERSITY OF RICHMOND 28 WESTHAMPTON WAY RICHMOND, VA 23173	NONE	501(C)(3)	CHARITABLE	2,500
Total 3a				37,577

Form 990PF Part XV Line 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
Name and address (home or business)				
a <i>Paid during the year</i>				
VALENTINE RICHMOND HISTORY CENTER 1015 EAST CLAY ST RICHMOND, VA 23219	NONE	501(C)(3)	CHARITABLE	5,250
VIRGINIA COMMONWEALTH UNIVERSITY PO BOX 843042 RICHMOND, VA 23284	NONE	501(C)(3)	CHARITABLE	5,325
VIRGINIA HISTORICAL SOCIETY 428 N BOULEVARD RICHMOND, VA 23221	NONE	501(C)(3)	CHARITABLE	39
WEST POINT SCHOOLS PO BOX T WEST POINT, VA 23181	NONE	MUNICIPALITY	EDUCATIONAL	1,511
Total ▶ 3a				37,577

TY 2016 Accounting Fees Schedule**Name:** KIP KEPHART FOUNDATION**EIN:** 54-1890463

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING	1,122	0		1,122
ACCOUNTING	2,304	2,304		0
ACCOUNTING	2,182	2,182		0

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TY 2016 Amortization Schedule

Name: KIP KEPHART FOUNDATION

EIN: 54-1890463

Description of Amortized Expenses	Date Acquired, Completed, or Expended	Amount Amortized	Deduction for Prior Years	Amortization Method	Current Year Amortization	Net Investment Income	Adjusted Net Income	Total Amount of Amortization
LOAN COSTS - 113 N MORRIS ST	2009-06-19	3,300	770	360 0000000000000	2,530	2,530		3,300

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2016 Depreciation Schedule

Name: KIP KEPHART FOUNDATION

EIN: 54-1890463

Description of Property	Date Acquired	Cost or Other Basis	Prior Years' Depreciation	Computation Method	Rate / Life (# of years)	Current Year's Depreciation Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included
BLDG - 111 N MORRIS ST	2007-03-01	177,143	59,857	SL	27 5000000000000	5,636	5,636		
LAND -111 N MORRIS ST	2007-03-01	64,856		L		0	0		
BLDG - 115 N MORRIS ST	2007-03-01	218,350	73,776	SL	27 5000000000000	7,940	7,940		
LAND - 115 N MORRIS ST	2007-03-01	56,650		L		0	0		
IMPROVEMENTS - 115 N MORRIS ST	2007-03-01	112,902	38,151	SL	27 5000000000000	4,106	4,106		
IMPROVEMENTS - 115 N MORRIS ST	2007-06-01	35,097	11,537	SL	27 5000000000000	1,276	1,276		
IMPROVEMENTS - 115 N MORRIS ST	2008-02-01	19,925	6,072	SL	27 5000000000000	725	725		
IMPROVEMENTS - 111 N MORRIS ST	2008-02-01	7,066	2,152	SL	27 5000000000000	225	225		
BUILDING - 113 N MORRIS ST	2009-06-19	308,893	79,092	SL	27 5000000000000	10,764	10,764		
LAND - 113 N MORRIS ST	2009-06-19	71,098		L		0	0		
COMPUTER	2008-12-27	1,312	656	200DB	5 0000000000000	0	0		
HVAC - 111 N MORRIS	2009-10-16	9,000	2,194	SL	27 5000000000000	286	286		
APPLIANCES - 113 N MORRIS ST	2013-08-31	1,776	632	200DB	5 0000000000000	51	326		
COMPUTER	2015-11-28	709	71	200DB	5 0000000000000	113	142		
HVAC - 115 N MORRIS	2016-10-29	6,552		SL	27 5000000000000	169	169		
ROOF AND BUILDING IMPROVEMENTS - 115 N MORRIS	2016-11-26	12,714		SL	27 5000000000000	289	289		

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TY 2016 Gain/Loss from Sale of Other Assets Schedule

Name: KIP KEPHART FOUNDATION

EIN: 54-1890463

Name	Date Acquired	How Acquired	Date Sold	Purchaser Name	Gross Sales Price	Basis	Basis Method	Sales Expenses	Total (net)	Accumulated Depreciation
113 N MORRIS ST		PURCHASED	2017-06		460,000	381,767		31,795	137,865	91,427

TY 2016 Investments Corporate Stock Schedule**Name:** KIP KEPHART FOUNDATION**EIN:** 54-1890463

Name of Stock	End of Year Book Value	End of Year Fair Market Value
FIDELITY INVESTMENTS	419,234	421,377

TY 2016 Investments - Land Schedule**Name:** KIP KEPHART FOUNDATION**EIN:** 54-1890463

Category/ Item	Cost/Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
BLDG - 115 N. MORRIS ST	218,350	81,716	136,634	
LAND - 115 N. MORRIS ST	56,650	0	56,650	
IMPROVEMENTS - 115 N MORRIS ST	112,902	42,257	70,645	
IMPROVEMENTS - 115 N MORRIS ST	35,097	12,813	22,284	
IMPROVEMENTS - 115 N MORRIS ST	19,925	6,797	13,128	
COMPUTER	1,312	1,312	0	
COMPUTER	709	539	170	
HVAC - 115 N MORRIS	6,552	169	6,383	
ROOF AND BUILDING IMPROVEMENTS - 115 N MORRIS	12,714	289	12,425	

TY 2016 Legal Fees Schedule**Name:** KIP KEPHART FOUNDATION**EIN:** 54-1890463

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
LEGAL	491	0		0

TY 2016 Other Assets Schedule**Name:** KIP KEPHART FOUNDATION**EIN:** 54-1890463**Other Assets Schedule**

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
FURNITURE, ARTWORK, & JEWELRY	233,440	233,440	233,440
LOAN COSTS	2,530	0	0
ESCROW ACCOUNT	1,388	0	0
MISC RECEIVABLES	821	2,247	2,247

TY 2016 Other Expenses Schedule**Name:** KIP KEPHART FOUNDATION**EIN:** 54-1890463**Other Expenses Schedule**

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
SUPPLIES & POSTAGE	94	0		0
PROPERTY TAXES	466	0		0
TELEPHONE	5,541	0		0
MISCELLANEOUS	68	0		0
OFFICE EXPENSE	4,047	0		0
BANK CHARGES	30	0		0
AUTO	477	0		0
INSURANCE	1,224	0		0
SECURITY	336	0		0
FEDERAL TAXES	76,796	0		0

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EVENTS	2,248	0		0
INVESTMENT FEES	420	0		0
STATE REGISTRATION FEES	25	0		0
UTILITIES	5,368	5,368		0
MANAGEMENT FEES	1,855	1,855		0
REPAIRS & MAINTENANCE	5,300	5,300		0
INSURANCE	2,896	2,896		0
OFFICE EXPENSE	0	0		0
UTILITIES	46	46		0
MANAGEMENT FEES	2,181	2,181		0

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
REPAIRS & MAINTENANCE	1,932	1,932		0
INSURANCE	1,180	1,180		0
ADVERTISING	280	280		0

TY 2016 Other Income Schedule

Name: KIP KEPHART FOUNDATION

EIN: 54-1890463

Other Income Schedule

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
MISCELLANEOUS	3,037	3,037	3,037

TY 2016 Taxes Schedule**Name:** KIP KEPHART FOUNDATION**EIN:** 54-1890463

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
REAL ESTATE TAXES	6,711	6,711		0
REAL ESTATE TAXES	2,147	2,147		0