C&E 927

2949114607900 8

Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

▶ Do not enter social security numbers on this form as it may be made public.
▶ Go to *www.irs.gov/Form990PF* for instructions and the latest information.

OMB No 1545-0052
2017
Open to Public Inspection

For calendar year 2017 or tax year beginning , and ending

Name of foundation
The Joanna Foundation
C/O Lynn Regnery

A Employer identification number
36-3666551

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
7423 Fisherman Creek

B Telephone number (see instructions)
910-264-4444

City or town, state or province, country, and ZIP or foreign postal code
Wilmington NC 28405

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) ▶ $ 864,165

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))

	Line	Description	(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	8,722	8,722	8,722	
	4	Dividends and interest from securities	11,722	11,722	11,722	
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10 Stmt 1	68,583			
	b	Gross sales price for all assets on line 6a 483,211				
	7	Capital gain net income (from Part IV, line 2)		0		
	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) Stmt 2	892	892	892	
	12	**Total.** Add lines 1 through 11	89,919	21,336	21,336	
Operating and Administrative 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) See Stmt 3	272	136		136
	b	Accounting fees (attach schedule) Stmt 4	380	190		190
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see instructions) Stmt 5	254	127		127
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (att sch) Stmt 6	190	100		90
	24	**Total operating and administrative expenses.** Add lines 13 through 23	1,096	553	0	543
	25	Contributions, gifts, grants paid	36,657			36,657
	26	**Total expenses and disbursements.** Add lines 24 and 25	37,753	553	0	37,200
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	52,166			
	b	**Net investment income** (if negative, enter -0-)		20,783		
	c	**Adjusted net income** (if negative, enter -0-)			21,336	

RECEIVED
MAY 0 7 2018
OGDEN, UT
IRS-OSC
3017

SCANNED JUL 1 6 2018

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	End of year (c) Fair Market Value
Assets				
1	Cash – non-interest-bearing	253,766	289,174	289,174
2	Savings and temporary cash investments			
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 (att schedule) ▶			
	Less allowance for doubtful accounts ▶ 0			
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) See Stmt 7	191,027	137,118	191,437
c	Investments – corporate bonds (attach schedule) See Stmt 8	149,096	193,756	190,427
11	Investments – land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach sch) ▶			
12	Investments – mortgage loans			
13	Investments – other (attach schedule) See Statement 9	100,409	112,722	179,433
14	Land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach sch) ▶			
15	Other assets (describe ▶ See Statement 10)		13,694	13,694
16	**Total assets** (to be completed by all filers – see the instructions Also, see page 1, item I)	694,298	746,464	864,165
Liabilities				
17	Accounts payable and accrued expenses			
18	Grants payable			
19	Deferred revenue			
20	Loans from officers, directors, trustees, and other disqualified persons			
21	Mortgages and other notes payable (attach schedule)			
22	Other liabilities (describe ▶)			
23	**Total liabilities** (add lines 17 through 22)	0	0	
Net Assets or Fund Balances				
	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
24	Unrestricted			
25	Temporarily restricted			
26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.			
27	Capital stock, trust principal, or current funds			
28	Paid-in or capital surplus, or land, bldg , and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds	694,298	746,464	
30	**Total net assets or fund balances** (see instructions)	694,298	746,464	
31	**Total liabilities and net assets/fund balances** (see instructions)	694,298	746,464	

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	694,298
2	Enter amount from Part I, line 27a	2	52,166
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	746,464
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	746,464

DAA

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (for example, 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	N/A			
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) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				
b				
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))
2016	35,588	781,740	0.045524
2015	30,089	793,763	0.037907
2014	30,414	792,498	0.038377
2013	44,227	769,719	0.057459
2012	42,044	761,425	0.055218

2	**Total** of line 1, column (d)	2	0.234485
3	Average distribution ratio for the 5-year base period – divide the total on line 2 by 5 0, or by the number of years the foundation has been in existence if less than 5 years	3	0.046897
4	Enter the net value of noncharitable-use assets for 2017 from Part X, line 5	4	828,225
5	Multiply line 4 by line 3	5	38,841
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	208
7	Add lines 5 and 6	7	39,049
8	Enter qualifying distributions from Part XII, line 4	8	37,200

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

DAA

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	416
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	416
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	416
6	Credits/Payments		
a	2017 estimated tax payments and 2016 overpayment credited to 2017 — 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	
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	416
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 2018 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		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes? See the 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? N/A	4b		
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 ▶ IL			
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 2017 or the taxable year beginning in 2017? 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		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement See instructions	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ Lynn Regnery Telephone no ▶ 910-264-4444
7423 Fisherman Creek
Located at ▶ Wilmington NC ZIP+4 ▶ 28405

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** – check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year ▶ 15

			Yes	No
16	At any time during calendar year 2017, 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		X

See the instructions for exceptions and filing requirements for FinCEN Form 114 If "Yes," enter the name of the foreign country ▶

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

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

				Yes	No
1a	*During the year, did the foundation (either directly or indirectly)*				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? **(Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance? See instructions	N/A	1b		
	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 2017?	N/A	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 2017, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2017?	☐ 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)	N/A	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 2017 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 2017)	N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2017?		4b		X

DAA

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		N/A	**5b**
	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)			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes	☒ No	
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			**6b** No: X
	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?		N/A	**7b**

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

1 List all officers, directors, trustees, and 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
Lynn Regnery 7423 Fisherman Creek	Wilmington NC 28405	President 5 00	0	0	0
John Regnery 11149 Yellow Leaf Way	Germantown MD 20876	Vice Preside 5.00	0	0	0
Rebecca Delrae Regnery 11149 Yellow Leaf Way	Germantown MD 20876	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 VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)*

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

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served conferences convened research papers produced, etc	Expenses
1 N/A	
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 N/A	
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 ▶	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities	1a	840,838
b	Average of monthly cash balances	1b	0
c	Fair market value of all other assets (see instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	840,838
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	840,838
4	Cash deemed held for charitable activities Enter 1½% of line 3 (for greater amount, see instructions)	4	12,613
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	828,225
6	**Minimum investment return.** Enter 5% of line 5	6	41,411

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	41,411
2a	Tax on investment income for 2017 from Part VI, line 5 2a 416		
b	Income tax for 2017 (This does not include the tax from Part VI) 2b		
c	Add lines 2a and 2b	2c	416
3	Distributable amount before adjustments Subtract line 2c from line 1	3	40,995
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	40,995
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	40,995

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	37,200
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	37,200
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	0
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	37,200

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 2016	(c) 2016	(d) 2017
1	Distributable amount for 2017 from Part XI, line 7				40,995
2	Undistributed income, if any, as of the end of 2017				
a	Enter amount for 2016 only				
b	Total for prior years 20 ____ , 20 ____ , 20 ____				
3	Excess distributions carryover, if any, to 2017				
a	From 2012 — 1,533				
b	From 2013 — 6,265				
c	From 2014				
d	From 2015				
e	From 2016				
f	**Total** of lines 3a through e	7,798			
4	Qualifying distributions for 2017 from Part XII, line 4 ▶ $ 37,200				
a	Applied to 2016, but not more than line 2a				
b	Applied to undistributed income of prior years (Election required – see instructions)				
c	Treated as distributions out of corpus (Election required – see instructions)				
d	Applied to 2017 distributable amount				37,200
e	Remaining amount distributed out of corpus				
5	Excess distributions carryover applied to 2017 (If an amount appears in column (d), the same amount must be shown in column (a))	3,795			3,795
6	**Enter the net total of each column as indicated below:**				
a	Corpus Add lines 3f, 4c, and 4e Subtract line 5	4,003			
b	Prior years' undistributed income Subtract line 4b from line 2b				
c	Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d	Subtract line 6c from line 6b Taxable amount – see instructions				
e	Undistributed income for 2016 Subtract line 4a from line 2a Taxable amount – see instructions				
f	Undistributed income for 2017 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2018				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)				
8	Excess distributions carryover from 2012 not applied on line 5 or line 7 (see instructions)				
9	**Excess distributions carryover to 2018.** Subtract lines 7 and 8 from line 6a	4,003			
10	Analysis of line 9				
a	Excess from 2013 — 4,003				
b	Excess from 2014				
c	Excess from 2015				
d	Excess from 2016				
e	Excess from 2017				

DAA

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 2017, 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)

	Tax year	Prior 3 years			
	(a) 2017	(b) 2016	(c) 2015	(d) 2014	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test – enter (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test – enter (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 **Information Regarding Foundation Managers:**

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

N/A

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

N/A

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 , to individuals or organizations under other conditions, complete items 2a, b, c, and d See instructions

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

Lynn Regnery 910-264-4444
7423 Fisherman Creek Wilmington NC 28405

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

N/A

Part XV Supplementary Information *(continued)*

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
See attached listing				36,657
Total			▶ **3a**	36,657
b *Approved for future payment*				
N/A				
Total			▶ **3b**	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(d) Amount	(e) Related or exempt function income (See instructions)
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					8,722
4 Dividends and interest from securities					11,722
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory					68,583
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b Other increases in Net Assets					892
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0		0	89,919

13 **Total.** Add line 12, columns (b), (d), and (e) 13 89,919

(See worksheet in line 13 instructions to verify calculations)

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

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

DAA

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) (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) (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
N/A		

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

May the IRS discuss this return with the preparer shown below? See instructions ☒ Yes ☐ No

Signature of officer or trustee: Lynn Rigney | Date: 5/1/18 | Title: President

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed
Jason C. Keller	Jason Keller CPA	4/25/18	
Firm's name ▶ Jason C. Keller, CPA, PLLC		PTIN	P00247140
Firm's address ▶ PO Box 3986 Wilmington, NC 28406-0986		Firm's EIN ▶	20-5855064
		Phone no	910-395-5445

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Description: Whom Sold	Date Acquired	Date Sold	How Received	Sale Price	Cost	Expense	Depreciation	Net Gain / Loss
Charles Schwab	Various	Various	Purchase	$ 233,140	$ 229,858	$	$	$ 3,282
Charles Schwab	Various	Various	Purchase	250,071	184,770			65,301
Total				$ 483,211	$ 414,628	$ 0	$ 0	$ 68,583

Statement 2 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
Other increases in Net Assets	$ 892	$ 892	$ 892
Total	$ 892	$ 892	$ 892

Statement 3 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Legal Fees	$ 272	$ 136	$	$ 136
Total	$ 272	$ 136	$ 0	$ 136

Statement 4 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Accounting Fees	$ 380	$ 190	$	$ 190
Total	$ 380	$ 190	$ 0	$ 190

Federal Statements

Statement 5 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Other taxes	$ 25	$ 12	$	$ 13
Excise taxes	229	115		114
Total	$ 254	$ 127	$ 0	$ 127

Statement 6 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	$	$	$	$
Expenses				
Membership fees	180	90		90
Investment fees and other	10	10		
Total	$ 190	$ 100	$ 0	$ 90

Statement 7 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
	$ 191,027	$ 137,118	Cost	$ 191,437
Total	$ 191,027	$ 137,118		$ 191,437

Statement 8 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
	$ 149,096	$ 193,756	Cost	$ 190,427
Total	$ 149,096	$ 193,756		$ 190,427

Federal Statements

Statement 9 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
ETFs, Mutual Funds, REITs	$ 100,409	$ 112,722	Cost	$ 179,433
Total	$ 100,409	$ 112,722		$ 179,433

Statement 10 - Form 990-PF, Part II, Line 15 - Other Assets

Description	Beginning of Year	End of Year	Fair Market Value
Pending Trade Settlements - Gains	$	$ 13,694	$ 13,694
Total	$ 0	$ 13,694	$ 13,694

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year

Recipient	Address	If recipient is an individual, show any relationship	Foundation status of recipient	Purpose of grant or contribution	Amount
Adopt an Angel	P.O. Box 15095 Wilmington, NC 28480		PC	Feed, care, spay and neuter dogs and cats	$400
Anchor Church	4117 Appleton Way Wilmington, NC 28412		PC	Faith community confronting injustice and alleviating suffering	$5,100
Anchor Church	4117 Appleton Way Wilmington, NC 28412		PC	Hope Center- day shelter for homeless	$600
Anchor Church	4117 Appleton Way Wilmington, NC 28412		PC	Switchin' Gears - bicycle ministry	$800
Anchor Church	4117 Appleton Way Wilmington, NC 28412		PC	Care co-op housing for women and their children	$4,040
Ann Arbor Women's Group	P.O. Box 3433 Ann Arbor, MI 48106		PC	Supports women in recovery from drugs and alcohol	$800
Big Cat Rescue	12802 Easy Street Tampa Bay, FL 33625			Rescuing, feedng, and housing of big cats	$300
Boy Scouts of America Troop 489	20701 N Frederick Rd. Germantown, MD 20876		PC	Leadershop development for boys	$125
Brighter Way Foundation	11149 Yellow Leaf Way Germantown, MD 20876		PC	International wildlife protection	$4,500
Brookfied Zoo / Chicago Zoological Society	8400 W 31st St. Brookfield, IL 60513		PC	Animal care and conservation	$642

JOANNA FOUNDATION 36-3666551

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year

Recipient	Address	If recipient is an individual, show any relationship	Foundation status of recipient	Purpose of grant or contribution	Amount
Cat Tails Adoption	6622 Ocean Beach Dr. Ocean Isle Beach, NC 28469		PC	Feed, house and adopt out homeless cats	$300
Cheetah Conservation Fund	P. O. Box 2496 Alexandria, VA 22301		PC	Rescue and care for cheetahs	$500
Coastal Land Trust	131 Racine Dr. #202 Wilmington, NC 28403		PC	Enrich the coastal commnities through conservation and land stewardship	$1,000
Commission to Every Nation Missionary	P.O. Box 290488 Kerrville, TX. 78029		PC	Feed and care for orphan children at Anchor of Hope, Romania	$800
Friends of Montgomery County Animals	P.O. Box 386 Germantown, MD 20875		PC	Spay/neuter of feral cats and adoption	$4,000
Girl Scouts of America Troop 380	Wilmington, NC		PC	Leadership development for girls	$40
Greater Swiss Mountain Dog Rescue Foundation	109010 70th Ave. East Bradenton, FL. 34211		PC	Rescue and rehome greater swiss mountain dogs	$400
Hinsdale Humane Society	22 N. Elm St. Hinsdale, IL 60521		PC	Sheltering and adoption of dogs and cats	$300
HIPS Center	906 H. St., NE Washington, DC 20022		PC	Harm reduction services, advocacy, and community engagement	$150
Humane Society International	1255 23rd Street, NW Suite 450 Washington, D.C. 20037		PC	Global animal protection nonprofit working to help all animals	$1,000

JOANNA FOUNDATION 36-3666551

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year

Recipient	Address	If recipient is an individual, show any relationship	Foundation status of recipient	Purpose of grant or contribution	Amount
Humane Society of the United States	1255 23rd Street, NW Suite 450 Washington, D.C. 20037		PC	Provide direct care, rescue, and services for animals in crisis	$100
International Society for Protection of Mustangs and Burros	P.O. Box 55 Lantry, SD 57636		PC	Feed, care, and protect wild burros and mustangs	$500
North Carolina Harm Reduction	2416 Hillsboro St. Raleigh, NC 27607		PC	Working to mitigate the health risks associated with drug use	$100
Operation Topcat	P.O. Box 922 Sneads Ferry, NC 28460		PC	Care and adoption for stray and feral cats	$500
Our Lady of Mount Caramel Church	8404 Cass Ave. Willowbrook,IL 60516		PC	Catholic church that carries out the mission of the Father, Son, and Holy Spirit	$100
Pat Floyd Ministries	170 Williams Street Wilmington, NC 28409		PC	Feeding and clothng of the homeless	$1,000
Poplar Springs Animal Sanctuary	15200 Mount Nebo Rd. Poolesville, MD 20837		PC	Refuge for farm animals and wildlife	$1,000
Port City Community Church	250 Vision Dr. Wilmington, NC 28403		PC	Helping people define their walk with God	$60
Pug Rescue of North Carolina	P. O. Box 94 Summerfield, NC 27538		PC	Rescue and rehome pugs	$500
Red Wiggler Foundation	23400 Ridge Rd. Germantown, MD 20876		PC	Community farm for adults with developmental disabilities	$1,000

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year

Recipient	Address	If recipient is an individual, show any relationship	Foundation status of recipient	Purpose of grant or contribution	Amount
Rescue Connect	760 Lea Drive Extension Hampstead, NC 28443		PC	Fostering and adoption of homeless dogs	$1,000
Saving Animals During Disaster	205 Georgia Ave. Carolina Beach, NC 28428		PC	Rescue, feed, and house animals during disasters	$1,000
Siamese Cat Rescue	366 Meander Run Road Locust Dale, VA 22948		PC	Rescuing, fostering, and adoption Siamese cats	$200
The Burr Ridge - Willowbrook Girls Softball Association	7738 Sugarbush Lane Willowbrook, IL 60527		PC	Provides education and training for girls	$400
The Columbus Zoo	9990 Riverside Dr. Powell, OH 43065-0400		PC	Conservation of sea turtles in Guatemala	$1,000
The Ocean Foundation	1320 19th St., NW 5th Floor Washington, DC 20036		PC	Advocacy for threatened and endangered sharks	$1,000
Turtle Island Restoration Network	P.O. Box 370 Forest Knolls, CA 94933		PC	Restoring oceans and protecting the marine wildlife	$1,000
UNC - TV (Public Television)	10 UNC-TV Drive Research Triangle Park, NC 27709		PC	Provide support for Public Television in North Carolina	$400

TOTAL GRANTS & CONTRIBUTIONS FOR 2017 → 3a **$36,657**