

efile GRAPHIC print - DO NOT PROCESS		As Filed Data -		DLN: 93491046007059			
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. ▶ Information about Form 990-PF and its instructions is at www.irs.gov/form990pf.			OMB No 1545-0052 2017 Open to Public Inspection		
For calendar year 2017, or tax year beginning 10-01-2017, and ending 09-30-2018							
Name of foundation STEPHENSON POPE BABCOCK FOUNDATION				A Employer identification number 56-2000456			
Number and street (or P.O. box number if mail is not delivered to street address) 2210 BROOKFIELD DRIVE			Room/suite	B Telephone number (see instructions) (336) 659-0290			
City or town, state or province, country, and ZIP or foreign postal code WINSTONSALEM, NC 27106				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)▶\$ 2,251,166		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)	300				
	2	Check ☒ if the foundation is not required to attach Sch. B					
	3	Interest on savings and temporary cash investments					
	4	Dividends and interest from securities	35,610	35,610			
	5a	Gross rents					
	b	Net rental income or (loss) _____					
	6a	Net gain or (loss) from sale of assets not on line 10	8,533				
	b	Gross sales price for all assets on line 6a _____ 447,912					
	7	Capital gain net income (from Part IV, line 2)		13,911			
	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	44,443	49,521				
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0	0		0	
	14	Other employee salaries and wages					
	15	Pension plans, employee benefits					
	16a	Legal fees (attach schedule)					
	b	Accounting fees (attach schedule)	1,800	0		1,800	
	c	Other professional fees (attach schedule)					
	17	Interest					
	18	Taxes (attach schedule) (see instructions)	5,841	5,841		0	
	19	Depreciation (attach schedule) and depletion					
	20	Occupancy					
	21	Travel, conferences, and meetings	1,450	725		725	
	22	Printing and publications					
	23	Other expenses (attach schedule)	3,878	1,939		1,939	
	24	Total operating and administrative expenses. Add lines 13 through 23	12,969	8,505		4,464	
	25	Contributions, gifts, grants paid	126,500			126,500	
	26	Total expenses and disbursements. Add lines 24 and 25	139,469	8,505		130,964	
	27	Subtract line 26 from line 12					
	a	Excess of revenue over expenses and disbursements	-95,026				
	b	Net investment income (if negative, enter -0-)		41,016			
	c	Adjusted net income (if negative, enter -0-)					
For Paperwork Reduction Act Notice, see instructions.				Cat No 11289X		Form 990-PF (2017)	

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)			
		Beginning of year (a) Book Value	End of year (b) Book Value (c) Fair Market Value		
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	364,512	263,501	263,501
	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)	979,832	985,817	1,886,415
	c	Investments—corporate bonds (attach schedule)	105,760	105,760	101,250
	11	Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
15	Other assets (describe ▶ _____)				
16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	1,450,104	1,355,078	2,251,166	
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	0	0	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund	0	0	
	29	Retained earnings, accumulated income, endowment, or other funds	1,450,104	1,355,078	
	30	Total net assets or fund balances (see instructions)	1,450,104	1,355,078	
31	Total liabilities and net assets/fund balances (see instructions) .	1,450,104	1,355,078		

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	1,450,104
2	Enter amount from Part I, line 27a	2	-95,026
3	Other increases not included in line 2 (itemize) ▶ _____	3	0
4	Add lines 1, 2, and 3	4	1,355,078
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	1,355,078

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a See Additional Data Table			
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 See Additional Data Table			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(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	
a See Additional Data Table			
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	13,911
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))
2016	122,752	2,051,841	0 059825
2015	137,145	1,918,823	0 071474
2014	129,214	1,902,276	0 067926
2013	122,690	1,864,622	0 065799
2012	102,570	1,698,478	0 060389
2 Total of line 1, column (d)			2 0 325413
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 065083
4 Enter the net value of noncharitable-use assets for 2017 from Part X, line 5			4 2,171,707
5 Multiply line 4 by line 3			5 141,341
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 410
7 Add lines 5 and 6			7 141,751
8 Enter qualifying distributions from Part XII, line 4			8 130,964

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	820
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	820
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	820
6	Credits/Payments		
a	2017 estimated tax payments and 2016 overpayment credited to 2017	6a	3,080
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	0
7	Total credits and payments. Add lines 6a through 6d.	7	3,080
8	Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	0
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	2,260
11	Enter the amount of line 10 to be Credited to 2018 estimated tax ☐ 840 Refunded ☐	11	1,420

Part VII-A Statements Regarding Activities

1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a	Yes	No
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)? 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	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 ☐ \$ _____ 0 (2) On foundation managers ☐ \$ _____ 0			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ☐ \$ _____ 0			
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		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? If "Yes," attach a conformed copy of the changes	3		No
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on Form 990-T for this year?	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		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? If "Yes," complete Part II, col (c), and Part XV	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ _____			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation .	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 2017 or the taxable year beginning in 2017 (see instructions for Part XIV)? If "Yes," complete Part XIV	9		No
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	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 ► SPBABCOCKFOUNDATION.ORG	13	Yes	
14	The books are in care of ► BRUCE BABCOCK Telephone no ► (336) 659-0290			

Located at **►** 2210 BROOKFIELD DRIVE WINSTON SALEM NC ZIP+4 **►** 27106

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 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? 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 ►	16	Yes	No

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

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

1a	During the year did the foundation (either directly or indirectly)		Yes	No
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? ☐ Organizations relying on a current notice regarding disaster assistance check here. ► ☐	1b		
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2017? ☐	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 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). ☐	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). ☐	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 2017?	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)?		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?	☐ Yes ☐ No			
	<i>If "Yes," attach the statement required by Regulations section 53.4945–5(d)</i>				
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	
	<i>If "Yes" to 6b, file Form 8870</i>				
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?		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	Expense account, (e) other allowances
See Additional Data Table				

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	Contributions to employee benefit plans and deferred compensation (d)	Expense account, (e) other allowances
NONE				

Total number of other employees paid over \$50,000. **0****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	2,204,779
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	2,204,779
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	2,204,779
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	33,072
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,171,707
6	Minimum investment return. Enter 5% of line 5.	6	108,585

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	108,585
2a	Tax on investment income for 2017 from Part VI, line 5.	2a	820
b	Income tax for 2017 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	820
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	107,765
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	107,765
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	107,765

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	130,964
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	130,964
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	130,964

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				107,765
2 Undistributed income, if any, as of the end of 2017				
a Enter amount for 2016 only.			0	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2017				
a From 2012. 25,000				
b From 2013. 32,173				
c From 2014. 36,668				
d From 2015. 41,722				
e From 2016. 23,201				
f Total of lines 3a through e.	158,764			
4 Qualifying distributions for 2017 from Part XII, line 4 ▶ \$ 130,964				
a Applied to 2016, 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 2017 distributable amount.				107,765
e Remaining amount distributed out of corpus	23,199			
5 Excess distributions carryover applied to 2017 (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	181,963			
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 2016 Subtract line 4a from line 2a Taxable amount—see instructions			0	
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).	0			
8 Excess distributions carryover from 2012 not applied on line 5 or line 7 (see instructions). . . .	25,000			
9 Excess distributions carryover to 2018. Subtract lines 7 and 8 from line 6a	156,963			
10 Analysis of line 9				
a Excess from 2013. 32,173				
b Excess from 2014. 36,668				
c Excess from 2015. 41,722				
d Excess from 2016. 23,201				
e Excess from 2017. 23,199				

Part XIV

- 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.)**

Part XV

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	126,500
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					
4	Dividends and interest from securities. . . .					35,610
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					8,533
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue a _____					
b	_____					
c	_____					
d	_____					
e	_____					
12	Subtotal Add columns (b), (d), and (e). .		0		0	44,143
13	Total. Add line 12, columns (b), (d), and (e). (See worksheet in line 13 instructions to verify calculations)			13		44,143

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

[illegible]

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		Yes	No
a Transfers from the reporting foundation to a noncharitable exempt organization of			
(1) Cash.	1a(1)		No
(2) Other assets.	1a(2)		No
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization.	1b(1)		No
(2) Purchases of assets from a noncharitable exempt organization.	1b(2)		No
(3) Rental of facilities, equipment, or other assets.	1b(3)		No
(4) Reimbursement arrangements.	1b(4)		No
(5) Loans or loan guarantees.	1b(5)		No
(6) Performance of services or membership or fundraising solicitations.	1b(6)		No
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.	1c		No
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

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

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.		
	*****	2019-02-15	*****
	Signature of officer or trustee	Date	Title

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

Paid Preparer Use Only	Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ☐	PTIN
	JOSEPH P SILLS				P00194921
	Firm's name ► THE DANIEL PROFESSIONAL GRP INC				Firm's EIN ► 56-1215661
Firm's address ► 4400 SILAS CREEK PKY SUITE 200 WINSTONSALEM, NC 27104					Phone no (336) 768-3290

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d			
List and describe the kind(s) of property sold (e g , real estate, (a) 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)
100 SHS ALLERGAN PLC		2017-05-10	2017-11-01
800 SHS GENERAL ELECTRIC		2012-04-09	2017-11-15
3300 SHS GENERAL ELECTRIC		2012-02-02	2017-11-15
1000 MONEY MKT OBLIGS TR FD		2017-12-20	2018-02-05
90000 MONEY MKT OBLIGS TR FD		2017-12-20	2018-03-13
49000 MONEY MKT OBLIGS TR FD		2017-12-20	2018-03-20
1000 MONEY MKT OBLIGS TR FD		2017-12-20	2018-03-01
1 SH TOOTSIE ROLL INDS INC		2016-11-07	2018-04-09
404 SHS TOOTSIE ROLL INDS INC		2016-11-07	2018-04-25
656 SHS TOOTSIE ROLL INDS INC		2015-08-25	2018-04-25

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(e) Gross sales price	Depreciation allowed (f) (or allowable)	Cost or other basis (g) plus expense of sale	Gain or (loss) (h) (e) plus (f) minus (g)
18,289		23,111	-4,822
14,550		15,418	-868
60,021		62,602	-2,581
1,000		1,000	0
90,000		90,000	0
49,000		49,000	0
1,000		1,000	0
27		30	-3
11,568		13,457	-1,889
18,756		18,701	55

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(I) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	Adjusted basis (j) as of 12/31/69	Excess of col (i) (k) over col (j), if any	
			-4,822
			-868
			-2,581
			0
			0
			0
			0
			-3
			-1,889
			55

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

List and describe the kind(s) of property sold (e.g., real estate, (a) 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)
31000 MONEY MKT OBLIGS TR FD		2017-12-20	2018-04-25
300 SHS SCHLUMBERGER		2012-12-14	2018-05-17
2000 MERRILL LYNCH CAP III PFD		2010-12-20	2018-06-06
655 MERRILL LYNCH CAP III		2009-02-03	2018-06-06
667 KRAFT HEINZ CO		2014-10-15	2018-07-06
333 KRAFT HEINZ CO		2012-09-17	2018-07-06

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
31,000		31,000	0
22,191		20,618	1,573
50,000		49,746	254
16,375		8,050	8,325
42,778		36,403	6,375
21,357		13,865	7,492

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(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	
			0
			1,573
			254
			8,325
			6,375
			7,492

Form 990PF Part VIII Line 1 - List all officers, directors, trustees, foundation managers and their compensation

(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	Expense account, (e) other allowances
ANNE BABCOCK 2210 BROOKFIELD DR WINSTON SALEM, NC 27106	VICE PRESIDENT 0 00	0	0	0
BRUCE BABCOCK 2210 BROOKFIELD DR WINSTON SALEM, NC 27106				
LUKE BABCOCK 274 DIVISION STREET SAG HARBOR, NY 11963	VICE PRESIDENT 0 00	0	0	0
THOMAS BABCOCK 955 LEXINGTON AVE NO 8C NEW YORK, NY 10021				
ALICE PEARCE 3960 NORTH OCEAN BLVD 6 DELRAY BEACH, FL 33483	SECRETARY 0 00	0	0	0

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				
5 GYRES5792 JEFFERSON BLVD LOS ANGELES, CA 90016	NONE	501 (C)(3)	CHARITABLE USE	1,000
BINATIONAL EMERGENCY MEDICAL CARE COMMITTEE 642 THIRD AVE SUITE 1 CHULA VISTA, CA 91910	NONE	501 (C)(3)	CHARITABLE USE	7,000
BOTTOM LINE 50 MILK STREET 16TH FLOOR BOSTON, MA 02109	NONE	501 (C)(3)	CHARITABLE USE	10,000
Total ▶ 3a				126,500

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				
CITY SQUASH PO BOX 619 FORDHAM STATION BRONX, NY 10458	NONE	501 (C)(3)	CHARITABLE USE	11,000
EDUCATION FOR ALL CHILDREN 11 HEATHER DRIVE RYE, NH 03870	NONE	501 (C)(3)	CHARITABLE USE	1,000
FOLDS OF HONOR 5800 N PATRIOT DRIVE OWASSA, OK 74055	NONE	501 (C)(3)	CHARITABLE USE	10,000
Total ▶ 3a				126,500

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>				
IMPACT 100 PALM BEACH COUNTY 261 NW 13TH STREET BOCA RATON, FL 33432	NONE	501(C)(3)	CHARITABLE USE	1,000
INTERNATIONAL COMMUNITY DEVELOPMENT FOUNDATION 113 PRINCE ST APT 5 ER NEW YORK, NY 10012	NONE	501 (C)(3)	CHARITABLE USE	11,000
ISABELLA HOUSING FOUNDATION 205 SPRINGVILLE ROAD HAMPTON BAYS, NY 11946	NONE	501 (C)(3)	CHARITABLE USE	10,000
Total ► 3a				126,500

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>				
FIELDS OF BREAKTHROUGH SCHOOLS 3615 SUPERIOR AVENUE SUITE 3103A CLEVELAND, OH 44114	NONE	501 (C)(3)	CHARITABLE USE	1,000
GENE SPARK 225 REINEKERS LANE SUITE 375 ALEXANDRIA, VA 22314	NONE	501 (C)(3)	CHARITABLE USE	8,000
PARK AND RECREATION ASSOCIATION OF SAG HARBOR PO BOX 1653 SAG HARBOR, NY 11963	NONE	501 (C)(3)	CHARITABLE USE	1,000
Total ▶ 3a				126,500

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>				
NORTH CAROLINA COASTAL FEDERATION 3609 HIGHWAY 24 NEWPORT, NC 28570	NONE	501 (C)(3)	CHARITABLE USE	12,000
OPEN TABLE MINISTRY INC PO BOX 51363 DURHAM, NC 27717	NONE	501 (C)(3)	CHARITABLE USE	3,000
THE ACADEMY FOR TEACHERS 10 WEST 90TH STREET NEW YORK, NY 10024	NONE	501(C)(3)	CHARITABLE USE	1,000
Total ▶ 3a				126,500

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>				
PAVE SCHOOLS238 CONOVER STREET BROOKLYN, NY 11231	NONE	501 (C)(3)	CHARITABLE USE	8,000
PROJECT MOSTPO BOX 1486 EAST HAMPTON, NY 11937	NONE	501(C)(3)	CHARITABLE USE	10,000
THE BRIDGEHAMPTON MUSEUM PO BOX 977 BRIDGEHAMPTON, NY 11932	NONE	501 (C)(3)	CHARITABLE USE	1,000
Total ▶ 3a				126,500

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>				
THE CHESAPEAKE CONSERVANCY 716 GIDDINGS AVENUE SUITE 42 ANNAPOLIS, MD 21401	NONE	501(C)(3)	CHARITABLE USE	1,000
THE COMMUNITY CHURCH OF SAN MIGUEL 220 N ZAPATA HIGHWAY SUITE 11A LAREDO, TX 78043	NONE	501 (C)(3)	CHARITABLE USE	9,000
THE FEATHER FOUNDATION 17 DE HART ROAD MAPLEWOOD, NJ 07040	NONE	501 (C)(3)	CHARITABLE USE	1,000
Total ▶ 3a				126,500

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				
THE FIRST TEE OF GREATER WASHINGTON DC 12020 PENNSYLVANIA AVE NW 106 WASHINGTON, DC 20006	NONE	501(C)(3)	CHARITABLE USE	5,000
THE JF KAPNEK TRUST 936 DEWING AVE STE E3 LAFAYETTE, CA 94549	NONE	501(C)(3)	CHARITABLE USE	1,000
THE TURTLE HOSPITAL 2396 OVERSEAS HIGHWAY MARATHON, FL 33050	NONE	501 (C)(3)	CHARITABLE USE	500
Total ▶ 3a				126,500

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				
THE VIRGINIA TECH FOUNDATION OFFICE OF GIFT ACCOUNTING 902 PRICES FORK RD BLACKSBURG, VA 24061	NONE	501 (C)(3)	CHARITABLE USE	1,000
THIRST PROJECT HQ 5478 WILSHIRE BLVD STE 400 LOS ANGELES, CA 90036	NONE	501 (C)(3)	CHARITABLE USE	1,000
Total ▶ 3a				126,500

TY 2017 Accounting Fees Schedule**Name:** STEPHENSON POPE BABCOCK FOUNDATION**EIN:** 56-2000456**Accounting Fees Schedule**

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	1,800	0		1,800

TY 2017 Distribution from Corpus Election

Name: STEPHENSON POPE BABCOCK FOUNDATION

EIN: 56-2000456

Election: PURSUANT TO CODE SEC. 4942(H)(2) AND REG. 53.4942(A)-3 (D)(2), STEPHENSON POPE BABCOCK FOUNDATION ELECTS TO TREAT CURRENT YEAR QUALIFYING DISTRIBUTIONS IN EXCESS OF THE IMMEDIATELY PRECEDING TAX YEAR'S UNDISTIBUTED INCOME AS COMING FROM CORPUS.

TY 2017 Investments Corporate Bonds Schedule**Name:** STEPHENSON POPE BABCOCK FOUNDATION**EIN:** 56-2000456**Investments Corporate Bonds Schedule**

Name of Bond	End of Year Book Value	End of Year Fair Market Value
BANK OF AMERICA 5.2%	50,499	49,500
JP MORGAN CHASE 6.1%	55,261	51,750

TY 2017 Investments Corporate Stock Schedule**Name:** STEPHENSON POPE BABCOCK FOUNDATION**EIN:** 56-2000456

Name of Stock	End of Year Book Value	End of Year Fair Market Value
BRIDGEHAMPTON NATIONAL BANK	23,100	33,200
BRIDGEHAMPTON NATIONAL BANK	20,041	61,420
3M COMPANY	61,464	115,891
BERKSHIRE HATHAWAY INC	65,925	192,699
GOOGLE INC	63,222	215,913
NORFOLK SOUTHERN CORP	28,765	90,250
APPLE COMPUTER	49,435	169,305
FACTSET RESEARCH SYSTEMS	52,069	111,855
MONDELEZ INTL INC	25,673	42,960
NESTLE SA	27,011	33,280
SCHULUMBERGER	20,618	18,276
HONEYWELL INTERNATIONAL INC	100,480	166,400
VISA INC	61,525	180,108
PAYPAL HOLDINGS INC	30,660	87,840
DIAGEO PLC	54,737	70,835
MOHAWK INDS INC	107,707	87,675
JOHNSON & JOHNSON	81,128	82,902
SHERWIN WILLIAMS COMPANY	39,306	45,521
VERIZON COMMUNICATIONS	72,951	80,085

TY 2017 Other Expenses Schedule**Name:** STEPHENSON POPE BABCOCK FOUNDATION**EIN:** 56-2000456**Other Expenses Schedule**

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
MEALS	3,860	1,930		1,930
BANK FEES	18	9		9

TY 2017 Taxes Schedule**Name:** STEPHENSON POPE BABCOCK FOUNDATION**EIN:** 56-2000456

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXCISE TAXES	5,841	5,841		0