

Form **990-PF****Return of Private Foundation**
or Section 4947(a)(1) Trust Treated as Private Foundation

OMB No 1545-0052

2018

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

- 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.

For calendar year 2018 or tax year beginning

, and ending

Name of foundation F.J. KAVANAGH FOUNDATION INC			A Employer identification number 23-6442981	
Number and street (or P.O. box number if mail is not delivered to street address) PO BOX 1667		Room/suite	B Telephone number (see instructions) (724) 347-5215	
City or town, state or province, country, and ZIP or foreign postal code HERMITAGE PA 16148				
Foreign country name		Foreign province/state/country	Foreign postal code	
G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change				
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation				
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 16,308,310		J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____		
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐				

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check ☐ if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	377,216	377,216		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	1,865,084			
	b Gross sales price for all assets on line 6a 6,572,771				
	7 Capital gain net income (from Part IV, line 2)		1,865,084		
	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)	802	356			
12 Total. Add lines 1 through 11	2,243,102	2,242,656	0		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	5,960	2,980		2,980
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	32,111	32,111		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy	1,800	900		900
	21 Travel, conferences, and meetings	2,181	545		
	22 Printing and publications				
	23 Other expenses (attach schedule)	139,092	129,205		7,984
	24 Total operating and administrative expenses. Add lines 13 through 23	181,144	165,741	0	11,864
	25 Contributions, gifts, grants paid	812,886			812,886
26 Total expenses and disbursements. Add lines 24 and 25	994,030	165,741	0	824,750	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	1,249,072				
b Net investment income (if negative, enter -0-)		2,076,915			
c Adjusted net income (if negative, enter -0-)			0		

For Paperwork Reduction Act Notice, see instructions.

HTA

Form **990-PF** (2018)

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Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions.)		Beginning of year	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			
	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	28,026	7,257	7,257
	10a Investments—U S and state government obligations (attach schedule)	199,742	204,339	202,729
	b Investments—corporate stock (attach schedule)	11,132,554	13,213,487	13,912,968
	c Investments—corporate bonds (attach schedule)	986,479	884,360	873,836
Liabilities	11 Investments—land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)	1,398,072	684,502	681,520
	14 Land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
	15 Other assets (describe ▶ House in Sea Isle City, NJ used ex)	13,500	13,500	630,000
	16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	13,758,373	15,007,445	16,308,310
	17 Accounts payable and accrued expenses			
	18 Grants payable			
Net Assets or Fund Balances	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	
	Foundations that follow SFAS 117, check here and complete lines 24 through 26, and lines 30 and 31. ☐			
	24 Unrestricted			
Net Assets or Fund Balances	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	13,758,373	15,007,445	
	30 Total net assets or fund balances (see instructions)	13,758,373	15,007,445	
	31 Total liabilities and net assets/fund balances (see instructions)	13,758,373	15,007,445	

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	13,758,373
2 Enter amount from Part I, line 27a	2	1,249,072
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	15,007,445
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	15,007,445

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	SEE ATTACHED	P		
b				
c				
d				
e	Capital Gains Distributions			
(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 6,238,424		4,707,687	1,530,737	
b				
c				
d				
e			334,347	
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			1,530,737	
b				
c				
d				
e			334,347	
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	1,865,084
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	0

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

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

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 doesn't 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))	
2017	802,108	16,722,540	0 047966	
2016	785,841	15,564,969	0 050488	
2015	756,039	16,029,411	0 047166	
2014	652,994	16,049,820	0 040685	
2013	705,750	14,961,787	0 047170	
2	Total of line 1, column (d)		2	0 233475
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 046695
4	Enter the net value of noncharitable-use assets for 2018 from Part X, line 5		4	17,215,274
5	Multiply line 4 by line 3		5	803,867
6	Enter 1% of net investment income (1% of Part I, line 27b)		6	20,769
7	Add lines 5 and 6		7	824,636
8	Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions		8	824,750

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	20,769	
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	20,769	
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only, others, enter -0-)	4		
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	20,769	
6	Credits/Payments			
a	2018 estimated tax payments and 2017 overpayment credited to 2018	6a	28,026	
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	28,026	
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	0	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	7,257	
11	Enter the amount of line 10 to be Credited to 2019 estimated tax 7,257 Refunded	11	0	

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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes? See the instructions for the 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		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ \$ (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		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		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by <i>General Instruction T</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered. See instructions. PA		
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 <i>General Instruction G</i> ? If "No," attach explanation	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 2018 or the tax year beginning in 2018? See the instructions for Part XIV. If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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.	Yes	No
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.	Yes	No
12			X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address: N/A	X	
14	The books are in care of: FOUNDATION OFFICE Located at: PO BOX 1667 HERMITAGE PA Telephone no: 724-347-5215 ZIP+4: 16148		
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 2018, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country.	Yes	No
16			X

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): (1) Engage in the sale or exchange, or leasing of property with a disqualified person? (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? (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)? (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.	Yes	No
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 2018?	Yes	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 2018, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2018? If "Yes," list the years: 20____, 20____, 20____, 20____	Yes	No
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.)	Yes	No
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 2018 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 2018.)	Yes	No
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	Yes	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 2018?	Yes	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		Yes	No
(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	N/A
	Organizations relying on a current notice regarding disaster assistance, check here	☐		
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?	☐ 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	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?		7b	N/A
8	Is the foundation subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year?	☐ Yes ☒ No		

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
THOMAS E KAVANAGH PO BOX 1667 HERMITAGE, PA 16148	TRUSTEE 5 00	0		
RYEN ROBERTS PO BOX 1667 HERMITAGE, PA 16148	TRUSTEE 5 00	2,860		
MELVIN L BANDZAK PO BOX 1667 HERMITAGE, PA 16148	TRUSTEE 5 00	5,960		

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		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 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	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	16,668,263
b	Average of monthly cash balances	1b	809,173
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	17,477,436
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	17,477,436
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see instructions)	4	262,162
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	17,215,274
6	Minimum investment return. Enter 5% of line 5	6	860,764

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	860,764
2a	Tax on investment income for 2018 from Part VI, line 5	2a	20,769
b	Income tax for 2018 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	20,769
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	839,995
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	839,995
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	839,995

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	824,750
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	824,750
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	20,769
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	803,981

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 2017	(c) 2017	(d) 2018
1 Distributable amount for 2018 from Part XI, line 7				839,995
2 Undistributed income, if any, as of the end of 2018				
a Enter amount for 2017 only			745,281	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2018				
a From 2013				
b From 2014				
c From 2014				
d From 2016				
e From 2017				
f Total of lines 3a through e	0			
4 Qualifying distributions for 2018 from Part XII, line 4 ▶ \$ 824,750				
a Applied to 2017, but not more than line 2a			745,281	
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 2018 distributable amount				79,469
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2018 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0			
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				
d Subtract line 6c from line 6b Taxable amount—see instructions				
e Undistributed income for 2017 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2018 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2019				760,526
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 2013 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2019. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9				
a Excess from 2014				
b Excess from 2014				
c Excess from 2016				
d Excess from 2017				
e Excess from 2018				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2018, enter the date of the ruling ▶

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

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

Tax year	Prior 3 years			(e) Total
(a) 2018	(b) 2017	(c) 2016	(d) 2015	
				0
b 85% of line 2a				0
c Qualifying distributions from Part XII, line 4 for each year listed				0
d Amounts included in line 2c not used directly for active conduct of exempt activities				0
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c				0
3 Complete 3a, b, or c for the alternative test relied upon				
a "Assets" alternative test—enter				
(1) Value of all assets				0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)				0
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed				0
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)				0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)				0
(3) Largest amount of support from an exempt organization				0
(4) Gross investment income				0

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

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

NONE

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

NONE

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

Check here ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc., 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

TJ KAVANAGH FOUNDATION PO BOX 1667 HERMITAGE, PA 16148 (724) 347-5215

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

APPLICANTS SHOULD REQUEST AN APPLICATION PACKET BY WRITING TO THE FOUNDATION

- 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 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 <i>Paid during the year</i> SEE ATTACHED LISTING NO CONTRIBUTIONS MADE TO INDIVIDUALS OR RELATED PARTIES			GRANTS ARE AWARED FOR BOTH OPERATING AND CAPITAL EXPENDITURES	812,886
Total			▶ 3a	812,886
b <i>Approved for future payment</i>				
Total			▶ 3b	0

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) (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 | 1 |
| | (2) Other assets | 1 |
| b | Other transactions | |
| | (1) Sales of assets to a noncharitable exempt organization | 1 |
| | (2) Purchases of assets from a noncharitable exempt organization | 1 |
| | (3) Rental of facilities, equipment, or other assets | 1 |
| | (4) Reimbursement arrangements | 1 |
| | (5) Loans or loan guarantees | 1 |
| | (6) Performance of services or membership or fundraising solicitations | 1 |
| c | Sharing of facilities, equipment, mailing lists, other assets, or paid employees | |
| 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 | |

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

[illegible]

- 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

**Sign
Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer or trustee

Date _____

TRUSTEE
Title

Title

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

**Paid
Preparer
Use Only**

Pnnt/Type preparer's name

MELVIN L BANDZAK CPA

Preparer's signature

MELVIN L BANDZAK CPA

Date _____

10/4/2019

Check ☐ if self-employed

PTIN

P01205705

Firm's name ▶ MELVIN L BANDZAK CPA

Firm's address ► 1340 YAHRES RD, SHARON, PA 16146

Firm's EIN ► 25-1878927

Phone no	724-347-5215
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Part I, Line 6 (990-PF) - Gain/Loss from Sale of Assets Other Than Inventory

Amount		Totals		Gross Sales		Cost or Other Basis, Expenses, Depreciation and Adjustments		Net Gain or Loss						
Long Term CG Distributions		Capital Gains/Losses		6,572,771		4,707,687		1,865,084						
Short Term CG Distributions		Other sales		0		0		0						
Description	CUSIP #	Check "X" to include in Part IV	Purchaser	Check "X" if Purchaser is a Business	Acquisition Method	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Valuation Method	Expense of Sale and Cost of Improvements	Depreciation	Adjustments	Net Gain or Loss
1 SEE ATTACHED		X			P			6,238,424	4,707,687					1,530,737

Part I, Line 11 (990-PF) - Other Income

		802	356	0
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income
1	FORM K-1 LIQUID MARKET FUND II	280	280	
2	LITIGATION SETTLEMENT FUNDS/REFUNDS	522	76	

Part I, Line 16b (990-PF) - Accounting Fees

		5,960	2,980	0	2,980
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
1	MELVIN L BANDZAK CPA	5,960	2,980		2,980

Part I, Line 18 (990-PF) - Taxes

		32,111	32,111	0	0
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1	Real estate tax not included in line 20	0			
2	Tax on investment income	21,082	21,082		
3	Income tax	0			
4	Foreign taxes paid	11,029	11,029		

Part I, Line 23 (990-PF) - Other Expenses

		139,092	129,205	0	7,984
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1	Broker access fees/commissions	119,900	119,900		
2	Insurance	2,835	709		2,126
3	Office supplies and expense	7,290	1,822		5,468
4	Postage	390	0		390
5	Amortization of bond premiums	3,372	3,372		
6	Storage fees	382	382		
7	Miscellaneous/ADR fees	4,923	3,020		

Part II, Line 10a (990-PF) - Investments - U.S. and State Government Obligations

		Federal		State/Local		Total	
		199,742	204,339	0	0	200,548	202,729
		Num Shares/ Face Value		Book Value Beg of Year	Book Value End of Year	FMV Beg of Year	FMV End of Year
				199,742	204,339	200,548	202,729
						State/Local Obligation	
1	See attached listing						

Part II, Line 10b (990-PF) - Investments - Corporate Stock

		11,132,554		13,213,487		14,782,471		13,912,968
		Book Value	Book Value	Book Value	FMV	FMV	FMV	
		Beg of Year	End of Year	Beg of Year	Beg of Year	End of Year	End of Year	
1	See attached listing	11,132,554	13,213,487	13,213,487	14,782,471	14,782,471	13,912,968	

Part II, Line 10c (990-PF) - Investments - Corporate Bonds

		986,479		884,360		997,099		873,836	
		Book Value	Book Value	Book Value	Book Value	FMV	FMV	FMV	FMV
		Beg of Year	Beg of Year	End of Year	End of Year	Beg of Year	Beg of Year	End of Year	End of Year
1	See attached listing	986,479	986,479	884,360	884,360	997,099	997,099	873,836	873,836

Part II, Line 13 (990-PF) - Investments - Other

		1,398,072		684,502		681,520	
Asset Description		Basis of Valuation	Book Value Beg of Year	Book Value End of Year	FMV End of Year		
1	Money market/Sweep accounts	AT COST	583,076	638,700	638,700		
2	Limited partnerships/Mutual funds	AT COST	814,996	45,802	42,820		

Part II, Line 15 (990-PF) - Other Assets

		13,500		13,500	630,000
		Book Value Beg of Year	Book Value End of Year	FMV End of Year	
1	House in Sea Isle City, NJ used exclusively by Convent	13,500	13,500	630,000	

SCHEDULE OF CONTRIBUTIONS - CASH BASIS

T. JAMES KAVANAGH FOUNDATION

December 31, 2018
(See Accountant's Compilation Report)

<u>NAME</u>	<u>AMOUNT</u>
ARC of Mercer County - Hermitage, Pennsylvania	5,000.00
Area Community Theater - Sharpsville, Pennsylvania	2,000.00
Blessed Saint John Paul II Elementary School - Hermitage, Pennsylvania	40,000.00
Boy Scouts - Baton Rouge, Louisiana	3,000.00
Buhl Community Recreation Center - Sharon, Pennsylvania	3,000.00
Buhl Park Corporation - Sharon, Pennsylvania	30,000.00
Catholic Charities - Erie, Pennsylvania	10,000.00
Catholic Rural Ministries - Port Allegany, Pennsylvania	10,000.00
Children's Aid Society of Mercer County - Mercer, Pennsylvania	2,000.00
Children's Center of Mercer County - Hermitage, Pennsylvania	5,000.00
Church of the Beloved Disciple - Grove City, Pennsylvania	7,000.00
Church of the Good Shepherd - West Middlesex, Pennsylvania	7,000.00
Community Food Warehouse - Sharon, Pennsylvania	5,000.00
Comprehensive Learning Center - Southampton, Pennsylvania	10,000.00
Coudersport Public Library - Coudersport, Pennsylvania	2,000.00
Coudersport Volunteer Fire Department - Coudersport, Pennsylvania	2,000.00
Custaloga Town Scout Reservation - Carlton, Pennsylvania	2,000.00
Delaware Valley College of Science and Agriculture - Doylestown, PA	5,000.00
Diocese of Erie - Erie, Pennsylvania	10,000.00
Edinboro University ROTC - Edinboro, Pennsylvania	30,000.00
FH Buhl Trustees - Sharon, Pennsylvania	50,000.00
Fort LeBoeuf Cub Scout Pack 58 - McKean, Pennsylvania	3,000.00
Fredonia Volunteer Fire Department - Fredonia, Pennsylvania	1,000.00
George Jr. Republic - Grove City, Pennsylvania	5,000.00
Heavenly Gaits Therapeutic Riding Center - Knox, Pennsylvania	3,000.00
Hermitage Volunteer Fire Department - Hermitage, Pennsylvania	8,000.00
Hope Center for Arts and Technology - Sharon, Pennsylvania	30,000.00
Immaculate Heart of Mary Catholic Church - Mercer, Pennsylvania	5,000.00
John XXIII Home - Hermitage, Pennsylvania	20,000.00
Joshua's Haven - Sharon, Pennsylvania	3,000.00
Kennedy Catholic High School - Hermitage, Pennsylvania	50,000.00
Kennedy Catholic Middle School - Hermitage, Pennsylvania	40,000.00
Keystone Blind Association - Sharon, Pennsylvania	5,000.00
Knights of Columbus Scholarship Fund - Coudersport, Pennsylvania	5,000.00
Loud and Proud Project - Sharon, Pennsylvania	5,000.00
Meals on Wheels - Sharon, Pennsylvania	5,000.00
Mercer Co 4-H Development Committee - Mercer, Pennsylvania	4,000.00
Mercyhurst College - Erie, Pennsylvania	5,000.00

SCHEDULE OF CONTRIBUTIONS - CASH BASIS

T. JAMES KAVANAGH FOUNDATION

December 31, 2018
(See Accountant's Compilation Report)

<u>NAME</u>	<u>AMOUNT</u>
Notre Dame Church - Hermitage, Pennsylvania	40,000.00
O'Brien Children Memorial Fund - Brookfield, Ohio	1,450.00
Our Lady of Fatima Church - Farrell, Pennsylvania	10,000.00
Partners in Senior Care - Greenville, Pennsylvania	2,000.00
Prince of Peace Center - Farrell, Pennsylvania	83,500.00
Saint Bartholomew's Roman Catholic Church - Sharpsville, Pennsylvania	5,000.00
Saint Eulalia's Church - Coudersport, Pennsylvania	10,000.00
Saint Michael's School - Greenville, Pennsylvania	40,000.00
Salvation Army - Sharon, Pennsylvania	5,000.00
Sharon Beautification Committee - Sharon, Pennsylvania	5,000.00
SCSD Endowment Fund - Sharon, Pennsylvania	20,000.00
Sharon City Police Department - Sharon, Pennsylvania	3,000.00
Shenango River Watchers - Sharon, Pennsylvania	5,000.00
Shenango Valley Children's Transplant Fund - Hermitage, Pennsylvania	5,000.00
Shenango Valley Chorale - Sharon, Pennsylvania	2,000.00
Shenango Valley Community Library - Sharon, Pennsylvania	10,000.00
Shenango Valley YMCA - Farrell, Pennsylvania	3,000.00
Sisters of the Holy Child Jesus Convent - Sea Isle City, New Jersey	22,836.00
Slippery Rock University - Slippery Rock, Pennsylvania	10,000.00
Strimbu Memorial Fund - Brookfield, Ohio	1,100.00
The Ohio State University - Columbus, Ohio	5,000.00
The Penn State Extension - University Park, Pennsylvania	5,000.00
The Penn State University - Sharon, Pennsylvania	45,000.00
United Way of Mercer County - Sharon, Pennsylvania	5,000.00
University of the Cumberlands - Williamsburg, Kentucky	5,000.00
Villa Maria Community Center - Villa Maria, Pennsylvania	5,000.00
Waterfire - Sharon, Pennsylvania	10,000.00
Willow Women's Center - Transfer, Pennsylvania	12,000.00
 TOTAL CONTRIBUTIONS	 <u>\$ 812,886.00</u>