

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

OMB No 1545-0052

2014**Open to Public Inspection****For calendar year 2014 or tax year beginning , 2014, and ending , 20**

Name of foundation THE CARTHAGE FOUNDATION		A Employer identification number 25-6067979
Number and street (or P O box number if mail is not delivered to street address)	Room/suite	B Telephone number (see instructions) (412) 392-2900
301 GRANT ST., ONE OXFORD CENTRE, STE. 3900		
City or town, state or province, country, and ZIP or foreign postal code PITTSBURGH, PA 15219-6402		C If exemption application is pending, check here ☐
G Check all that apply ☒ Initial return ☒ Final return ☐ Address 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) ▶ \$	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)				
	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	1,111,177.	1,111,177.		ATCH 1
	5a Gross rents				
	b Net rental income or (loss)	6,389,380.			
	6a Net gain or (loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a	8,334,006.			
	7 Capital gain net income (from Part IV, line 2)		6,389,380.		ATCH 20
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule) ATCH. 2	29,985.	69,004.		
	12 Total. Add lines 1 through 11	7,530,542.	7,569,561.		
	13 Compensation of officers, directors, trustees, etc. ATCH 19	127,688.	22,544.		105,144.
	14 Other employee salaries and wages	94,195.			94,195.
	15 Pension plans, employee benefits	93,729.	9,523.		84,206.
	16a Legal fees (attach schedule) ATCH 3	10,791.			10,791.
	b Accounting fees (attach schedule) ATCH 4	54,969.	27,485.		27,484.
	c Other professional fees (attach schedule) [5]	31,794.	31,794.		
	17 Interest				
	18 Taxes (attach schedule) (see instructions) [6]	72,000.			
	19 Depreciation (attach schedule) and depletion	1,954.			ATCH 16
	20 Occupancy	69,808.	7,093.		62,715.
	21 Travel, conferences, and meetings	2,219.			2,219.
	22 Printing and publications				
	23 Other expenses (attach schedule) ATCH 7	29,817.	13,168.		16,649.
	24 Total operating and administrative expenses Add lines 13 through 23	588,964.	111,607.		403,403.
	25 Contributions, gifts, grants paid	1,575,000.		ATCHS 14 & 18	1,700,000.
	26 Total expenses and disbursements. Add lines 24 and 25	2,163,964.	111,607.	0	2,103,403.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	5,366,578.			
	b Net investment income (if negative, enter -0-)		7,457,954.		
	c Adjusted net income (if negative, enter -0-)				

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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		6,747.		
	2	Savings and temporary cash investments		1,527,218.		
	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 ATCH 8		2,684.		
	10a	Investments - U S and state government obligations (attach schedule)				
	b	Investments - corporate stock (attach schedule) ATCH 9		13,666,880.		
	c	Investments - corporate bonds (attach schedule)				
	Liabilities	11	Investments - land, buildings, and equipment basis			
		Less accumulated depreciation (attach schedule) ▶				
12		Investments - mortgage loans				
13		Investments - other (attach schedule) ATCH 10		1,884,160.		
14		Land, buildings, and equipment basis				
		Less accumulated depreciation (attach schedule) ▶		3,336.		
15		Other assets (describe ▶)				
16		Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)		17,091,025.	0	0
17		Accounts payable and accrued expenses				
18		Grants payable		125,000.		
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)		125,000.	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		16,966,025.		
	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				
	30	Total net assets or fund balances (see instructions)		16,966,025.	0	
	31	Total liabilities and net assets/fund balances (see instructions)		17,091,025.	0	

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	16,966,025.
2	Enter amount from Part I, line 27a	2	5,366,578.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	22,332,603.
5	Decreases not included in line 2 (itemize) ▶ ATCH 11	5	22,332,603.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	

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 PART IV ATCH 20				
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) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a			
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	6,389,380.
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	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 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))
2013	1,623,342.	33,859,146.	0.047944
2012	1,434,220.	30,962,045.	0.046322
2011	1,062,609.	27,628,834.	0.038460
2010	1,164,566.	23,996,799.	0.048530
2009	1,178,208.	21,206,993.	0.055558

2 Total of line 1, column (d)	2	0.236814
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	0.047363
4 Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	37,137,697.
5 Multiply line 4 by line 3	5	1,758,953.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	74,580.
7 Add lines 5 and 6	7	1,833,533.
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	2,103,403.

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)		1	74,580.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b			
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	
3 Add lines 1 and 2		3	74,580.
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	74,580.
6 Credits/Payments			
a 2014 estimated tax payments and 2013 overpayment credited to 2014	6a	93,409.	
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	93,409.	
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		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	18,829.	
11 Enter the amount of line 10 to be Credited to 2015 estimated tax ☐ 0 Refunded ☐ 11	11	18,829.	

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 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?		
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		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?	X	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		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 General Instruction G? 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 2014 or the taxable year beginning in 2014 (see 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

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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		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? Website address <u>N/A</u>	13	X	
14	The books are in care of <u>THE CARTHAGE FOUNDATION</u> Telephone no <u>412-392-2900</u> Located at <u>301 GRANT STREET, SUITE 3900, PITTSBURGH, PA</u> ZIP+4 <u>15219</u>			
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 <u>15</u>			
16	At any time during calendar year 2014, 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, (formerly TD F 90-22.1) If "Yes," enter the name of the foreign country <u></u>	16	Yes	No 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.

	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? <u>ATCH 12</u> ☒ 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)? ☐ <u></u>	1b	X
Organizations relying on a current notice regarding disaster assistance check here ☐ <u></u>		
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 2014? ☐ <u></u>	1c	X
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 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? ☐ Yes ☒ No If "Yes," list the years <u></u>		
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) ☐ <u></u>	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 <u></u>		
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 2014 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 2014) ☐ <u></u>	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 2014? ☐ <u></u>	4b	X

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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

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** X

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ATCH 12		127,688.	14,500.	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. ☐

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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
ATCH 13		66,689.

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 NONE	
2	
All other program-related investments See instructions	
3 NONE	
Total. Add lines 1 through 3 ▶	

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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	37,699,381.
b	Average of monthly cash balances	1b	3,865.
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	37,703,246.
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	37,703,246.
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	565,549.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	37,137,697.
6	Minimum investment return. Enter 5% of line 5	6	1,856,885.

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	1,856,885.
2a	Tax on investment income for 2014 from Part VI, line 5	2a	74,580.
b	Income tax for 2014. (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	74,580.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,782,305.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	1,782,305.
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	1,782,305.

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	2,103,403.
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	2,103,403.
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	74,580.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	2,028,823.

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.

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Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2013	(c) 2013	(d) 2014
1 Distributable amount for 2014 from Part XI, line 7				1,782,305.
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only				
b Total for prior years 20 <u>12</u> , 20 <u>11</u> , 20 <u>10</u>				
3 Excess distributions carryover, if any, to 2014				
a From 2009 218,947.				
b From 2010				
c From 2011				
d From 2012				
e From 2013				
f Total of lines 3a through e	218,947.			
4 Qualifying distributions for 2014 from Part XII, line 4 ▶ \$ <u>2,103,403.</u>				
a Applied to 2013, 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 2014 distributable amount				1,782,305.
e Remaining amount distributed out of corpus	321,098.			
5 Excess distributions carryover applied to 2014 . (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	540,045.			
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 2013 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2014 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2015				
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 2009 not applied on line 5 or line 7 (see instructions)	218,947.			
9 Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a	321,098.			
10 Analysis of line 9				
a Excess from 2010				
b Excess from 2011				
c Excess from 2012				
d Excess from 2013				
e Excess from 2014 321,098.				

Form 990-PF (2014)

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

NOT APPLICABLE

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2014, 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			(e) Total
	(a) 2014	(b) 2013	(c) 2012	(d) 2011	
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. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

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

N/A

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

ATTACHMENT 17

c Any submission deadlines

ATTACHMENT 17

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

ATTACHMENT 17

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 ATCH 14				
Total			3a	1,700,000.
b Approved for future payment				
Total			3b	

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
8,334,006.		LONG TERM CAPITAL GAINS SEE ATTACHMENT PROPERTY TYPE: SECURITIES 1,944,626.				P	12/19/2012 6,389,380.	12/03/2014
TOTAL GAIN (LOSS)							<u>6,389,380.</u>	

ATTACHMENT 1FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
INTEREST INCOME	7,463.	7,463.
DIVIDEND INCOME	1,103,714.	1,103,714.
TOTAL	<u>1,111,177.</u>	<u>1,111,177.</u>

ATTACHMENT 2FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INCOME FROM PARTNERSHIPS	-39,930.	-911.
MISCELLANEOUS INCOME	69,915.	69,915.
TOTALS	<u>29,985.</u>	<u>69,004.</u>

ATTACHMENT 3

FORM 990PF, PART I - LEGAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
LEGAL FEES	10,791.			10,791.
TOTALS	<u>10,791.</u>			<u>10,791.</u>

ATTACHMENT 4FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
AUDIT, COMPLIANCE AND TAX	54,969.	27,485.		27,484.
TOTALS	<u>54,969.</u>	<u>27,485.</u>		<u>27,484.</u>

ATTACHMENT 5

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
FISCAL AGENT FEES	31,794.	31,794.
TOTALS	<u>31,794.</u>	<u>31,794.</u>

ATTACHMENT 6FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>
FEDERAL EXCISE TAX	72,000.
TOTALS	<u>72,000.</u>

ATTACHMENT 7FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
INSURANCE	6,352.	645.		5,707.
OFFICE EXPENSES	9,425.	1,025.		8,400.
COMPUTER MAINTENANCE	2,542.			2,542.
MISCELLANEOUS	11,498.	11,498.		
TOTALS	29,817.	13,168.		16,649.

ATTACHMENT 8FORM 990PF, PART II - PREPAID EXPENSES AND DEFERRED CHARGES

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
PREPAID INSURANCE	2,684.		
TOTALS	<u>2,684.</u>		

ATTACHMENT 9FORM 990PF, PART II - CORPORATE STOCK

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
INVESTMENTS- COMMON STOCK	13,666,880.		
TOTALS	<u>13,666,880.</u>		

ATTACHMENT 10FORM 990PF, PART II - OTHER INVESTMENTS

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
INVESTMENTS - PARTNERSHIP	1,884,160.		
TOTALS	<u>1,884,160.</u>		

ATTACHMENT 11FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES

<u>DESCRIPTION</u>	<u>AMOUNT</u>
TRANSFER TO SARAH SCAIFE FOUNDATION, INC.	22,332,603.
TOTAL	<u>22,332,603.</u>

THE CARTHAGE FOUNDATION

25-6067979

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEESATTACHMENT 12

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
RICHARD M. SCAIFE 301 GRANT STREET ONE OXFORD CENTRE SUITE 3900 PITTSBURGH, PA 15219	CHAIRMAN/TRUSTEE 1.00	0	0	0
MR. SCAIFE SERVED AS THE CHAIRMAN AND TRUSTEE FOR THE CARTHAGE FOUNDATION FROM JANUARY 2014 UNTIL HIS DEATH IN JULY 2014.				
MICHAEL W. GLEBA 301 GRANT STREET ONE OXFORD CENTRE SUITE 3900 PITTSBURGH, PA 15219	PRESIDENT/TREASURER/TRUSTEE 8.00	87,188.	10,250.	0
W. MCCOOK MILLER, JR. 301 GRANT STREET ONE OXFORD CENTRE SUITE 3900 PITTSBURGH, PA 15219	TRUSTEE 1.00	10,000.	0	0
ROGER W. ROBINSON, JR. 301 GRANT STREET ONE OXFORD CENTRE SUITE 3900 PITTSBURGH, PA 15219	ASST. TREAS./TRUSTEE 1.00	10,000.	0	0

THE CARTHAGE FOUNDATION

25-6067979

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

ATTACHMENT 12 (CONT'D)

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
YVONNE MARIE BLY 301 GRANT STREET ONE OXFORD CENTRE SUITE 3900 PITTSBURGH, PA 15219	SECRETARY/ASST TREASURER 8.00	20,500.	4,250.	0
GRAND TOTALS		127,688.	14,500.	0

990PF, PART VIII- COMPENSATION OF THE FIVE HIGHEST PAID PROFESSIONALSATTACHMENT 13

<u>NAME AND ADDRESS</u>	<u>TYPE OF SERVICE</u>	<u>COMPENSATION</u>
OXFORD DEVELOPMENT CO./GRANT ST. ONE OXFORD CENTRE, 301 GRANT STREET PITTSBURGH, PA 15219-6401	FACILITY RENTAL	66,689.
TOTAL COMPENSATION		<u>66,689.</u>

THE CARTHAGE FOUNDATION

25-6067979

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 14

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
ALLEGHENY INSTITUTE FOR PUBLIC POLICY 305 MT LEBANON BOULEVARD, SUITE 208 PITTSBURGH, PA 15234	NONE PC		GENERAL OPERATING SUPPORT	250,000
AMERICA'S SURVIVAL, INC 8221 FRANCES LANE OWINGS, MD 20736	NONE PC		PROGRAM SUPPORT	200,000
ATLAS ECONOMIC RESEARCH FOUNDATION 1201 L STREET, NW, SUITE 200 WASHINGTON, DC 20005	NONE PC		PRAGUE SECURITY STUDIES INSTITUTE	50,000
CATO INSTITUTE 1000 MASSACHUSETTS AVE WASHINGTON, DC 20001	NONE PC		CONFERENCE SUPPORT	40,000
CLAREMONT INSTITUTE FOR THE STUDY OF STATESMANSHIP 937 W FOOTHILL BLVD #E CLAREMONT, CA 91711	NONE PC		PROJECT SUPPORT	100,000
COMMITTEE FOR A CONSTRUCTIVE TOMORROW 1825 FIRST STREET WASHINGTON, DC 20001	NONE PC		GENERAL OPERATING SUPPORT	160,000

ATTACHMENT 14

THE CARTHAGE FOUNDATION

25-6067979

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 14 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
	FOUNDATION STATUS OF RECIPIENT			
COUNTERTERRORISM & SECURITY EDUCATION AND RESEARCH PO BOX 100688 ARLINGTON VA 22210 WASHINGTON, DC	NONE PC		PROJECT SUPPORT	100,000
FEDERATION OF AMERICAN IMMIGRATION REFORM 25 MASSACHUSETTS AVENUE, NW, SUITE 330 WASHINGTON, DC 20001	NONE PC		GENERAL OPERATING SUPPORT	200,000
HIGH FRONTIER 500 N WASHINGTON STREET ALEXANDRIA, VA 22314	NONE PC		PROGRAM SUPPORT	50,000
THE INSTITUTE ON RELIGION AND DEMOCRACY, INC 1023 15TH STREET, NW, SUITE 601 WASHINGTON, DC 20005	NONE PC		GENERAL OPERATING SUPPORT	125,000
JAMESTOWN FOUNDATION 1111 16TH ST NW #320 WASHINGTON, DC 20036	NONE PC		PROJECT SUPPORT	100,000
MOUNTAIN STATES LEGAL FOUNDATION 2596 SOUTH LEWIS WAY LAKEWOOD, CO 80227	NONE PC		GENERAL OPERATING SUPPORT	25,000.

ATTACHMENT 14

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEARATTACHMENT 14 (CONT'D)

RECIPIENT NAME AND ADDRESS		RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
NATIONAL CENTER FOR PUBLIC POLICY RESEARCH INC 501 CAPITOL CT WASHINGTON, DC 20002		NONE PC	PROGRAM SUPPORT	65,000
NATIONAL LEGAL AND POLICY CENTER 107 PARK WASHINGTON CT FALLS CHURCH, VA 22046		NONE PC	GENERAL OPERATING SUPPORT	125,000
NATIONAL RIGHT TO WORK LEGAL DEFENSE & EDUCATION F 8001 BRADDOCK RD SPRINGFIELD, VA 22151		NONE PC	PROGRAM SUPPORT	25,000
NONPROLIFERATION POLICY EDUCATION CENTER 1601 NORTH KENT STREET ARLINGTON, VA 22209		NONE PC	GENERAL OPERATING SUPPORT	50,000
PHILADELPHIA SOCIETY 11620 RUTAN CIRCLE JEROME, MI 49249		NONE PC	GENERAL OPERATING SUPPORT	10,000
PROPERTY AND ENVIRONMENT RESEARCH CENTER 2048 ANALYSIS DRIVE, SUITE A BOZENAN, MT 59718		NONE PC	GENERAL OPERATING SUPPORT	25,000.
TOTAL CONTRIBUTIONS PAID				1,700,000.

FORM 990-PF, PART XVI-A - ANALYSIS OF OTHER REVENUEATTACHMENT 15

<u>DESCRIPTION</u>	<u>BUSINESS CODE</u>	<u>AMOUNT</u>	<u>EXCLUSION CODE</u>	<u>AMOUNT</u>	<u>RELATED OR EXEMPT FUNCTION INCOME</u>
PARTNERSHIP INCOME	900099	-39,019.	14	-911.	
MISCELLANEOUS INCOME			14	69,915.	
TOTALS		<u>-39,019.</u>		<u>69,004.</u>	

FEDERAL FOOTNOTES

ATTACHMENT 16

PART I, LINE 19 - DEPRECIATION

PART II, LINE 14A -LAND, BUILDING, AND EQUIPMENT

PART II, LINE 14B, - ACCUMULATED DEPRECIATION

DESCRIPTION

AMOUNT

LEASEHOLD IMPROVEMENTS

NONE

OFFICE EQUIPMENT

NONE

SUBTOTAL

NONE

LESS ACCUMULATED DEPRECIATION

NONE

NET FIXED ASSETS

NONE

DEPRECIATION AND AMORTIZATION EXPENSE FOR 12/31/2014 WAS \$1,954

THE CARTHAGE FOUNDATION

SCHEDULE OF GAINS FOR TAX ON INVESTMENT INCOME
FOR THE YEAR ENDED DECEMBER 31, 2014

(a) Kind of Property	(b) Description	(c) How Acquired (P- Purchase; D-Donated)	(d) Date Acquired	(e) Date Sold/ Matured	(f) Gross Sales Price Less Expense of Sale	(h) Cost or Other Basis	(i) Gain (loss) (f) less (h)	(j) Fair Market Value as of December 31, 1969	(k) Adjusted Cost Basis	(l) Excess of (i) over (k)	(m) Losses from Column (j) and Gains (Excess (i) over (l))
Security	American Realty Capital Trust IV	P	12/20/12	01/08/14	\$ 387,097	\$ 213,973	\$ 173,124	N/A	N/A	N/A	\$ 173,124
Security	American Realty 6.7% Pfd	P	01/08/14	01/17/14	12	9	3	N/A	N/A	N/A	3
Security	American Realty Capital Properties	P	01/08/14	01/17/14	7	13	(6)	N/A	N/A	N/A	(6)
Security	Exxon Mobile Corporation	P	05/25/73	01/29/14	364,512	11,549	352,963	N/A	N/A	N/A	352,963
Security	Philip Morris International, Inc.	P	12/19/94	02/18/14	425,937	54,447	371,490	N/A	N/A	N/A	371,490
Security	Exxon Mobile Corporation	P	05/25/73	02/21/14	476,625	15,196	461,429	N/A	N/A	N/A	461,429
Security	Philip Morris International, Inc.	P	12/19/14	03/03/14	250,488	32,103	218,385	N/A	N/A	N/A	218,385
Security	Express Scripts Holding Co.	P	03/30/09	05/06/14	544,300	393,247	151,053	N/A	N/A	N/A	151,053
Security	Knowles Corporation	P	01/16/14	05/27/14	52,815	59,256	(6,441)	N/A	N/A	N/A	(6,441)
Security	American Realty Capital Properties	P	01/08/14	06/05/14	277,363	286,014	(8,651)	N/A	N/A	N/A	(8,651)
Security	Philip Morris International, Inc.	P	12/19/94	10/07/14	3,117,696	378,816	2,738,880	N/A	N/A	N/A	2,738,880
Security	American Realty 6.7% Pfd.	P	01/08/14	10/29/14	537,445	499,990	37,455	N/A	N/A	N/A	37,455
Security	Kinder Morgan Energy LP	P	08/12/89	12/03/14	1,899,696	-	1,899,696	N/A	N/A	N/A	1,899,696
Security	Kinder Morgan Energy LP	P	12/03/14	12/05/14	13	13	-	N/A	N/A	N/A	-
					<u>\$ 8,334,006</u>	<u>\$ 1,944,626</u>	<u>\$ 6,389,380</u>				<u>\$ 6,389,380</u>

ATTACHMENT 20

See accompanying independent accountant's compilation report.