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Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

OMB No 1545-0052

2018

Open to Public Inspection

For calendar year 2018 or tax year beginning , and ending

Name of foundation: KGE PROJECT DESERVE TRUST FUND

Number and street (or P O box number if mail is not delivered to street address): 818 S KANSAS AVENUE | Room/suite:

City or town, state or province, country, and ZIP or foreign postal code: TOPEKA KS 66612

Foreign country name | Foreign province/state/county | Foreign postal code

A Employer identification number: 48-6268846

B Telephone number (see instructions): 785-575-6335

C If exemption application is pending, check here ▶ ☐

D 1 Foreign organizations, check here ▶ ☐

2 Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

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) ▶ $ 1,553,544

J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) (Part I, column (d) must be on cash basis.)

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Part I **Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)

	Line	Description	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ ☐ if the foundation is not required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	44,525	44,525		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	20,437			
	b	Gross sales price for all assets on line 6a 143,049				
	7	Capital gain net income (from Part IV, line 2)		20,387		
	8	Net short-term capital gain			50	
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule) STMT 1	2,398	2,368		
	12	**Total.** Add lines 1 through 11	67,360	67,280	50	
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)				
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see instructions) STMT 1	2,727	2,727		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule) STMT 1	8,000	8,000		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	10,727	10,727	0	0
	25	Contributions, gifts, grants paid	96,866			96,866
	26	**Total expenses and disbursements.** Add lines 24 and 25	107,593	10,727	0	96,866
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-40,233			
	b	**Net investment income** (if negative, enter -0-)		56,553		
	c	**Adjusted net income** (if negative, enter -0-)			50	

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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	33,569	28,224	28,224
	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			
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule) STMT 2	614,426	574,607	654,264
	c	Investments—corporate bonds (attach schedule) STMT 2	680,735	729,200	744,577
	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 ▶ STMT 2)	183,078	139,544	126,479
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	1,511,808	1,471,575	1,553,544
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 ▶ [X] and complete lines 24 through 26, and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted	1,511,808	1,471,575	
		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)	1,511,808	1,471,575	
	31	**Total liabilities and net assets/fund balances** (see instructions)	1,511,808	1,471,575	

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	1,511,808
2	Enter amount from Part I, line 27a	2	-40,233
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,471,575
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	1,471,575

Part VII-A Statements Regarding Activities *(continued)*

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule See instructions	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement See instructions	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶

14 The books are in care of ▶ The Commerce Trust Company Telephone no ▶ 316-261-4765
Located at ▶ PO Box 637 ZIP+4 ▶ 67202

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

			Yes	No
16	At any time during calendar year 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?	16		X
	See the instructions for exceptions and filing requirements for FinCEN Form 114 If "Yes," enter the name of the foreign country ▶			

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

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

				Yes	No
1a	During the year, did the foundation (either directly or indirectly)				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance? See instructions		1b	N/A	
	Organizations relying on a current notice regarding disaster assistance, check here	▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2018?		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 2018, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2018?	☐ 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	N/A	
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)		3b	N/A	
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 2018?		4b		X

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

			Yes	No
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	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
Gina Penzig 818 South Kansas Ave Topeka, KS 66612	Trustee 50	0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than $50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over $50,000 ▶

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)

	Tax year	Prior 3 years			
	(a) 2018	(b) 2017	(c) 2016	(d) 2015	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					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

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

c Any submission deadlines

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

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*				
Center of Hope Inc 400 N Emporia Wichita, KS 67202			Public Energy assistance for helping the elderly, handicapped and indigent with payment of utility bills and home weatherization	96,866
Total			▶ **3a**	96,866
b *Approved for future payment*				
Total			▶ **3b**	0

KG&E Project Deserve Trust Fund
Return of Private Foundation - Calendar Year 2018
Employer Identification Number: 48-6268846

	Column (a) Revenue and Expense Per Books	Column (b) Net Investment Income
Other Income, Part 1, Line 11		
JP Morgan Alerian MLP Index ETN	2,364	2,364
Non Dividend Distribution return	30	0
Unrecaptured 1250 Gain	4	4
	2,398	2,368
Taxes, Part 1, Line 18		
Excise Tax Paid	2,100	2,100
Foreign Taxes Withheld	627	627
Total Taxes	2,727	2,727
Other Expenses, Part 1, Line 23		
Account Management Fees	8,000	8,000
	8,000	8,000

KGE Project Deserve Trust Fund
Return of Private Foundation - Calendar Year 2018
Employer Identification Number: 48-6268846

	Beg Of Year Book Value	End Of Year Book Value	End Of Year Market Value
Part II, Line 10b - Investments - Corporate Stock			
Commerce Growth Fund Institutional Fund # 337	60,810	56,716	80,186
Commerce Midcap Growth Fund Institutional # 339	28,003	19,235	26,280
Commerce Value Fund Institutional Fund # 346	46,982	46,982	61,848
Dodge & Cox Internatioal Stock Fund	68,000	73,000	67,007
DFA International Small Company portfolio	42,921	43,921	38,208
DFA US Targeted Vakue Portfolio	43,622	35,863	31,593
Hartford Midcap Fund Y	30,000	25,146	24,731
Invesco Developing Market Fund Class R6	42,366	43,366	41,466
iShares Russell Midcap Value Index Fund	43,510	30,738	45,047
iShares Russell 1000 Value Index Fund	53,771	49,362	74,959
MFS Research International Fund-I	54,795	54,795	57,380
T Rowe Price Growth Stock Fund	75,510	71,345	76,372
T Rowe Price New Horizons Funds	24,137	24,137	29,188
Total	**614,426**	**574,607**	**654,264**
Part II, Line 10c - Investments - Corporate Bonds			
Blackrock High Yield Bond Portfolio	27,086	23,551	21,573
Cohen & Steers Preferred Securities and Income Fund Inc	17,500	17,500	15,651
Commerce Bond Fund #333	346,364	346,364	369,130
Dodge & Cox Income Fund	99,200	99,200	98,287
Fidelity Advisor Emerging Markets Income Fund-I	15,029	17,029	15,480
Hartford Floating Rate Fund-Y	23,084	23,084	21,718
Vanguard Intermediate Term Investment Grade Fund Adm	112,472	137,472	138,715
Wells Fargo Core Bond Fund R6	-	65,000	64,023
Wells Fargo Advantage Core Bond Fund I	40,000	-	-
Total	**680,735**	**729,200**	**744,577**
Part II, Line 15 - Other Assets			
AQR Managed Futures Strategy Fund I	32,186	32,186	26,775
DFA Commodity Strategy Portfolio	-	20,000	17,812
JP Morgan Alerian MLP Index ETN	66,392	19,358	14,620
Swan Defined Risk Fund I	36,000	36,000	35,250
Vanguard REIT Index Fund-Admin	16,500	-	-
Robeco Boston Partners Long/Short Research Fund	32,000	32,000	32,022
Total	**183,078**	**139,544**	**126,479**

Part IV, Capital Gains and Losses for Tax on Investment Income

(a) Property Sold	(b) How Acquired	(c) Date Acquired	(d) Date Sold	(e) Gross sales price minus expense of sale	(f) Depreciation allowed or allowable	(g) Cost or other basis	(h) Gain or (loss)
Total Part IV, Short Term Gain(Loss)							
Vanguard Real Estate Index Fund Admiral	P	01/22/2018	06/29/2018	1,792		1,742	50
Total Part IV, Long Term Gain(Loss)							
Blackrock High Yield Bond Portfolio	P	01/23/2015	05/15/2018	3,450		3,535	(85)
Commerce Growth Fund Institutional Fund #337	P	12/01/2016	01/19/2018	5,000		4,093	907
Commerce Midcap Growth Fund institutional #339	P	Various	5/14/2018	10,000		8,768	1,232
DFA US Targeted Value Portfolio	P	2/12/2015	01/19/2018	9,000		7,759	1,241
Hartford Midcap Fund-Y	P	12/01/2016	01/19/2018	6,000		4,854	1,146
iShares Russel 1000 Value EFT	P	11/30/2016	01/22/2018	5,171		4,409	762
iShares Russel MidCAP Value EFT	P	11/30/2016	01/22/2018	14,676		12,771	1,905
JP Morgan Alerian MLP Index ETN	P	Various	07/30/2018	33,643		54,087	(20,444)
T Rowe Price Growth Stock Fund-I	P	1/23/2015	12/1/2018	5,000		4,165	835
Vanguard Real Estate Index Fund Admiral	P	11/30/2016	6/29/2018	16,698		16,429	269
Total Part IV, Long Term Gain(Loss)				108,638	0	120,870	-12,232
1a **Totals Part IV, Line 1a**				110,430	0	122,612	-12,182

KGE Project Deserve Trust Fund
Return of Private Foundation - Calendar Year 2016
Employer Identification Number· 48-6268846

Part IV, Capital Gains and Losses for Tax on Investment Income

Totals Part IV, L/T Capital Gain Dividends Distributions, Line 1a

(a) Property Sold	(b) How Acquired	(c) Date Acquired	(d) Date Sold	(e) Gross sales price minus expense of sale	(f) Depreciation allowed or allowable	(g) Cost or other basis	(h) Gain or (loss)
Cohen & Steers Preferred securities and Income Fund Inc-1	P	Various	2/2/2018	54			54
Commerce Growth Fund Institutional Fund #337	P	Various	12/10/2018	6,214			6,214
Commerce Midcap Growth Fund Institutional #339	P	Various	12/10/2018	1,993			1,993
Commerce Value Fund Institutional #346	P	Various	12/10/2018	6,308			6,308
DFA International Small Company Portfolio	p	Various	12/20/2018	1,838			1,838
DFA US Targeted Value Portfolio	p	Various	12/20/2018	1,401			1,401
Dodge & Cox Income Fund	P	Various	12/21/2018	423			423
Fidelity Advisor Emerging Markets income Fund Class 1	P	Various	2/13/2018	47			47
Hartford Midcap Fund-Y	P	Various	12/19/2018	2,620			2,620
MFS Research International Fund R6	P	Various	12/13/2018	475			475
Robeco Boston Partners Long/Short Research Fund	P	Various	12/17/2018	1,732			1,732
T Rowe Price Growth Fund-1	P	Various	12/17/2018	6,000			6,000
T Rowe Price New Horizons Fund-1	P	Various	12/18/2018	3,514			3,514
Totals Part IV, L/T Capital Gain Dividends Distributions, Line 1a				32,619	0	0	32,619
1a Totals Part IV, Line 1a				**143,049**	**0**	**122,612**	**20,437**