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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.

▶ 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 , and ending

Name of foundation: ARCUS OPERATING FOUNDATION

A Employer identification number: 26-1504481

Number and street (or P O box number if mail is not delivered to street address): 44 WEST 28TH STREET, 17TH FLOOR | Room/suite

B Telephone number: 212-488-3000

City or town, state or province, country, and ZIP or foreign postal code: NEW YORK, NY 10001

C If exemption application is pending, check here ▶ ☐

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

D 1. Foreign organizations, check here ▶ ☐

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

H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

03

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) ▶$ 1,724,601.

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))

	Line	(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	519,456.			
	2 Check ▶ ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	1.	1.	1.	STATEMENT 1
	4 Dividends and interest from securities	12,920.	12,920.	12,920.	STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	10,608.			
	b Gross sales price for all assets on line 6a 3,603,456.				
	7 Capital gain net income (from Part IV, line 2)		10,608.		
	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)				
	11 Other income				
	12 **Total.** Add lines 1 through 11	542,985.	23,529.	12,921.	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	48,466.	485.	485.	47,981.
	14 Other employee salaries and wages	384,933.	3,849.	3,849.	606,534.
	15 Pension plans, employee benefits	127,048.	1,270.	1,270.	125,776.
	16a Legal fees STMT 3	23,131.	0.	0.	25,501.
	b Accounting fees STMT 4	25,334.	0.	0.	26,384.
	c Other professional fees STMT 5	896,418.	646.	646.	961,592.
	17 Interest				
	18 Taxes				
	19 Depreciation and depletion				
	20 Occupancy	52,202.	522.	522.	42,711.
	21 Travel, conferences, and meetings	46,420.	464.	464.	224,958.
	22 Printing and publications	21,715.	0.	0.	2,738.
	23 Other expenses STMT 6	129,433.	276.	276.	240,571.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	1,755,100.	7,512.	7,512.	2,304,746.
	25 Contributions, gifts, grants paid	660,627.			364,100.
	26 **Total expenses and disbursements.** Add lines 24 and 25	2,415,727.	7,512.	7,512.	2,668,846.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	<1,872,742.>			
	b **Net investment income** (if negative, enter -0-)		16,017.		
	c **Adjusted net income** (if negative, enter -0-)			5,409.	

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Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1 Cash - non-interest-bearing	132,170.	829,135.	829,135.
	2 Savings and temporary cash investments	30,989.	726,281.	726,281.
	3 Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable		101,703.	101,703.
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	67,482.	17,482.	17,482.
	10a Investments - U.S and state government obligations			
	b Investments - corporate stock			
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other	3,602,197.		
	14 Land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶ STATEMENT 7)	38,199.	50,000.	50,000.
	16 Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	3,871,037.	1,724,601.	1,724,601.
Liabilities	17 Accounts payable and accrued expenses	308,318.	89,179.	
	18 Grants payable		296,527.	
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶ STATEMENT 8)	420,529.	78,796.	
	23 Total liabilities (add lines 17 through 22)	728,847.	464,502.	
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	3,131,652.	1,260,099.	
	25 Temporarily restricted	10,538.	0.	
	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	3,142,190.	1,260,099.	
	31 Total liabilities and net assets/fund balances	3,871,037.	1,724,601.	

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	3,142,190.
2	Enter amount from Part I, line 27a	2	<1,872,742.>
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	1,269,448.
5	Decreases not included in line 2 (itemize) ▶ UNREALIZED LOSS ON INVESTMENTS	5	9,349.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,260,099.

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				
b	SEE ATTACHED STATEMENT			
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	3,603,456.		3,592,848.	10,608.

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				10,608.

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 10,608.

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)
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	2,252,393.	5,024,768.	.448258
2012	1,708,706.	6,503,425.	.262739
2011	2,228,834.	8,949,159.	.249055
2010	3,865,456.	11,920,455.	.324271
2009	2,198,434.	7,131,593.	.308267

2	Total of line 1, column (d)	2	1.592590
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	.318518
4	Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	2,650,473.
5	Multiply line 4 by line 3	5	844,223.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	160.
7	Add lines 5 and 6	7	844,383.
8	Enter qualifying distributions from Part XII, line 4	8	2,668,846.

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

3

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 ▶ [X] and enter 1% of Part I, line 27b	1	160.
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	160.
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	160.
6	Credits/Payments		
a	2014 estimated tax payments and 2013 overpayment credited to 2014 — 6a 17,734.		
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	17,734.
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	17,574.
11	Enter the amount of line 10 to be **Credited to 2015 estimated tax** ▶ 17,574. **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?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)?	1b		X
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ 0. **(2)** On foundation managers ▶ $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ 0.			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ MI,NY			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2014 or the taxable year beginning in 2014 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9	X	
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

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

		Line	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 ▶ WWW.ARCUSFOUNDATION.ORG

14 The books are in care of ▶ THE FOUNDATION Telephone no ▶212-488-3000
Located at ▶44 WEST 28TH STREET, 17TH FLOOR, NEW YORK, NY ZIP+4 ▶10001

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 | N/A

		Line	Yes	No
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?	16		X
	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 ▶			

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.

		Line	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		X
	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 2014?	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 ▶ ______, ______, ______, ______			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions) N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ ______, ______, ______, ______			
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.)* N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2014?	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** X

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? Attachment C ☒ 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? N/A **7b**

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(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
SEE ATTACHMENT A		48,466.	5,133.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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
SEE ATTACHMENT B		219,741.	44,131.	0.

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. If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
PROPPER DALEY - 1322 N. CURSON AVENUE, SUITE 303, LOS ANGELES, CA 90046	REPOSITION THE CONTENT OF UPRISING OF LOVE PROJECT	186,484.
FULTON PRODUCTIONS, INC. 225 BROADWAY, SUITE 200, NEW YORK, NY 10007	CONSULTING FOR RUSSIA WITH LOVE PROJECT	100,000.
ALISON WHITE FLAT 1, 54 ATHOL ROAD, MANCHESTER	CONSULTING FOR STATE OF THE APES PUBLICATION	84,868.
SOLUTIONS INTERNATIONAL ADVISORS LLC - 1 WEST 67TH STREET, SUITE 804, NEW YORK, NY 10023	CONSULTING STRATEGIST FOR OL PEJETA	71,500.
FENTON 630 9TH AVENUE, SUITE 910, NEW YORK, NY 10036	COMMUNICATION SERVICES FOR RUSSIA FREEDOM FUND	66,061.
Total number of others receiving over $50,000 for professional services ▶		2

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 SEE STATEMENT 9	1,176,313.
2 SEE STATEMENT 10	82,913.
3 SEE STATEMENT 11	232,869.
4 SEE STATEMENT 12	84,684.

Part IX-B **Summary of Program-Related Investments**

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.

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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	1,563,339.
b	Average of monthly cash balances	1b	1,127,497.
c	Fair market value of all other assets	1c	0.
d	**Total** (add lines 1a, b, and c)	1d	2,690,836.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e 0.		
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	2,690,836.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	40,363.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	2,650,473.
6	**Minimum investment return.** Enter 5% of line 5	6	132,524.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ [X] and do not complete this part)

1	Minimum investment return from Part X, line 6			1	
2a	Tax on investment income for 2014 from Part VI, line 5	2a			
b	Income tax for 2014 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	
3	Distributable amount before adjustments Subtract line 2c from line 1			3	
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	
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	

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	2,668,846.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	2,668,846.
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	5	160.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	2,668,686.

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)

N/A

	(a) Corpus	(b) Years prior to 2013	(c) 2013	(d) 2014
1 Distributable amount for 2014 from Part XI, line 7				
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only				
b Total for prior years: ____ , ____ , ____				
3 Excess distributions carryover, if any, to 2014				
a From 2009				
b From 2010				
c From 2011				
d From 2012				
e From 2013				
f **Total** of lines 3a through e				
4 Qualifying distributions for 2014 from Part XII, line 4 ▶ $				
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				
e Remaining amount distributed out of corpus				
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				
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 instr				
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				
9 **Excess distributions carryover to 2015.** Subtract lines 7 and 8 from line 6a				
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				

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

1 a 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 ▶ 02/16/08

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

	Tax year	Prior 3 years			
	(a) 2014	(b) 2013	(c) 2012	(d) 2011	(e) Total
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	5,409.	37,723.	36,565.	447,458.	527,155.
b 85% of line 2a	4,598.	32,065.	31,080.	380,339.	448,082.
c Qualifying distributions from Part XII, line 4 for each year listed	2,668,846.	2,252,770.	1,708,706.	2,228,834.	8,859,156.
d Amounts included in line 2c not used directly for active conduct of exempt activities	0.	400,000.	200,000.	0.	600,000.
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c	2,668,846.	1,852,770.	1,508,706.	2,228,834.	8,259,156.
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	88,349.	167,492.	216,781.	298,305.	770,927.
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))

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 ▶ [X] 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

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*				
RUSSIA FREEDOM FUND - VARIOUS GRANTEES	N/A	NC-PC	LEGAL EMPOWERMENT OF UNDERSERVED COMMUNITIES IN RUSSIA	364,100.
Total			▶ 3a	364,100.
b *Approved for future payment*				
RUSSIA FREEDOM FUND - VARIOUS GRANTEES	N/A	NC-PC	LEGAL EMPOWERMENT OF UNDERSERVED COMMUNITIES IN RUSSIA	296,527.
Total			▶ 3b	296,527.

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Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	1.	
4 Dividends and interest from securities			14	12,920.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	10,608.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0.		23,529.	0.

13 Total. Add line 12, columns (b), (d), and (e) . . . . . 13 23,529.

(See worksheet in line 13 instructions to verify calculations)

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

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

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

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

d If the answer to any of the above is "Yes," complete the following schedule Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here

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

May the IRS discuss this return with the preparer [redacted]

Signature of officer or trustee Da[redacted]

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	
THOMAS F. BLANEY, CPA, CFE		[redacted]
Firm's name ▶ O'CONNOR DAVIES, LLP		
Firm's address ▶ 665 FIFTH AVENUE NEW YORK, NY 10022		

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at *www.irs.gov/form990*

OMB No 1545-0047

2014

Name of the organization

ARCUS OPERATING FOUNDATION

Employer identification number

26-1504481

Organization type (check one):

Filers of:	**Section:**
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling $5,000 or more (in money or property) from any one contributor Complete Parts I and II. See instructions for determining a contributor's total contributions

Special Rules

☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II

☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling $5,000 or more during the year ▶ $ ____________

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization	Employer identification number
ARCUS OPERATING FOUNDATION	26-1504481

Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	THE M.A.C. AIDS FUND 130 PRINCE STREET NEW YORK, NY 10012	$ 150,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
2	HUMAN RIGHTS CAMPAIGN 1640 RHODE ISLAND NW WASHINGTON, DC 20036	$ 140,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
3	STOLI GROUP (USA), LLC 44 WEST 28TH STREET, 17TH FLOOR NEW YORK, NY 10001	$ 150,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
4	THE NEW YORK COMMUNITY TRUST 909 THIRD AVENUE NEW YORK, NY 10022	$ 20,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
5	ATHLETE ALLY INC 4250 WILSHIRE BOULEVARD LOS ANGELES, CA 90010	$ 5,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
ARCUS OPERATING FOUNDATION	26-1504481

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

Name of organization	Employer identification number
ARCUS OPERATING FOUNDATION	26-1504481

Part III *Exclusively* religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than $1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry For organizations completing Part III, enter the total of exclusively religious, charitable, etc , contributions of $1,000 or less for the year (Enter this info once) ▶ $

Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
STATE STREET	1.	1.	1.
TOTAL TO PART I, LINE 3	1.	1.	1.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
STATE STREET	12,920.	0.	12,920.	12,920.	12,920.
TO PART I, LINE 4	12,920.	0.	12,920.	12,920.	12,920.

FORM 990-PF LEGAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PATTERSON, BELKNAP, WEBB & TYLER LLP	14,646.	0.	0.	21,039.
PERLMAN & PERLMAN	8,485.	0.	0.	4,462.
TO FM 990-PF, PG 1, LN 16A	23,131.	0.	0.	25,501.

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
O'CONNOR DAVIES, LLP	25,275.	0.	0.	26,325.
HAYS MACINTYRE	59.	0.	0.	59.
TO FORM 990-PF, PG 1, LN 16B	25,334.	0.	0.	26,384.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
GREAT APES PROGRAM CONSULTING	275,437.	0.	0.	374,687.
SOCIAL JUSTICE PROGRAM CONSULTING	191,660.	0.	0.	290,714.
TECHNOLOGY CONSULTANT	4,046.	0.	0.	4,046.
COMMUNICATION STRATEGY CONSULTING	385,946.	0.	0.	259,617.
HUMAN RESOURCE CONSULTING	1,060.	0.	0.	11,905.
EVALUATION & DEVELOPMENT CONSULTING	37,623.	0.	0.	20,623.
INVESTMENT CONSULTING	646.	646.	646.	0.
TO FORM 990-PF, PG 1, LN 16C	896,418.	646.	646.	961,592.

FORM 990-PF OTHER EXPENSES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
REPAIRS AND MAINTENANCE	5,101.	51.	51.	35,363.
OFFICE EXPENSE	18,141.	181.	181.	99,061.
INSURANCE	4,421.	44.	44.	4,377.
MEMBERSHIP DUES	1,770.	0.	0.	1,770.
SUPPORT OF PROGRAMMATIC EVENT	100,000.	0.	0.	100,000.
TO FORM 990-PF, PG 1, LN 23	129,433.	276.	276.	240,571.

FORM 990-PF OTHER ASSETS STATEMENT 7

DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
ACCRUED DIVIDEND RECEIVABLE	2,905.	0.	0.
CONTRIBUTION RECEIVABLE	10,294.	0.	0.
PREPAID EXPENSES	25,000.	0.	0.
EXCISE TAX REFUND RECEIVABLE	0.	50,000.	50,000.
TO FORM 990-PF, PART II, LINE 15	38,199.	50,000.	50,000.

FORM 990-PF	OTHER LIABILITIES	STATEMENT 8

DESCRIPTION	BOY AMOUNT	EOY AMOUNT
DUE TO ARCUS FOUNDATION	420,529.	78,796.
TOTAL TO FORM 990-PF, PART II, LINE 22	420,529.	78,796.

FORM 990-PF	SUMMARY OF DIRECT CHARITABLE ACTIVITIES	STATEMENT 9

ACTIVITY ONE

RUSSIA FREEDOM FUND
PROVIDED STRATEGIC AND DIRECT SUPPORT TO CIVIL SOCIETY GROUPS IN RUSSIA TO COMBAT DISCRIMINATION AND VIOLENCE THERE BASED ON SEXUAL ORIENTATION AND GENDER IDENTITY. THE AOF SERVES AS THE COLLECTOR OF FUNDS CONTRIBUTED BY PARTNERS AND THE GENERAL PUBLIC; ONE HUNDRED PERCENT OF ALL DONATIONS RECEIVED IS PAID OUT AS GRANTS.

	EXPENSES
TO FORM 990-PF, PART IX-A, LINE 1	1,176,313.

FORM 990-PF	SUMMARY OF DIRECT CHARITABLE ACTIVITIES	STATEMENT 10

ACTIVITY TWO

OL PEJETA CONSERVANCY
PROVIDED RESOURCES TO ORGANIZATIONAL DEVELOPMENT AND TECHNICAL ASSISTANCE TO A KEY CONSERVATION SITE IN KENYA THAT IS WORKING TO PRESERVE A NUMBER OF ENDANGERED SPECIES, INCLUDING CHIMPANZEES.

	EXPENSES
TO FORM 990-PF, PART IX-A, LINE 2	82,913.

FORM 990-PF SUMMARY OF DIRECT CHARITABLE ACTIVITIES STATEMENT 11

ACTIVITY THREE

THOUGHT LEADERSHIP
WITH THE INVOLVEMENT OF EXPERTS AND STAKEHOLDERS, CONVENED A SERIES OF MEETINGS AND CONSULTATIONS TO DEVELOP AND RAISE AWARENESS ABOUT METHODS FOR INCREASING KNOWLEDGE/UNDERSTANDING, CHANGING ATTITUDES, BUILDING SKILLS/ CAPACITY, AND STRENGTHENING POLICY. THIS ACTIVITY AIMS TO CHANGE BEHAVIOR AND THINKING WITH RESPECT TO THE CHALLENGES FACING LGBT PEOPLE GLOBALLY, AS WELL AS TO IMPROVE CONSERVATION AND RESPECT FOR APES IN THE WILD AND IN CAPTIVITY. THIS ACTIVITY, ALIGNED WITH THE ARCUS ORGANIZATIONAL STRATEGY, ALSO HELPS TO ADVANCE ARCUS STRATEGIC PRIORITIES.

	EXPENSES
TO FORM 990-PF, PART IX-A, LINE 3	232,869.

FORM 990-PF SUMMARY OF DIRECT CHARITABLE ACTIVITIES STATEMENT 12

ACTIVITY FOUR

ARCUS LGBT LEADERSHIP INITIATIVE
PROVIDED NEWER AND EMERGING EXECUTIVE DIRECTORS WITH THE SUPPORT AND MENTORSHIP THEY NEED TO FLOURISH AND SUSTAIN THEIR COMMITMENT TO THE MOVEMENT FOR LGBT EQUALITY AND JUSTICE. THE EXECUTIVE DIRECTORS AND INSTITUTIONS SELECTED TO PARTICIPATE WILL ALIGN WITH THE ARCUS U.S. DOMESTIC STRATEGY FRAME.

	EXPENSES
TO FORM 990-PF, PART IX-A, LINE 4	84,684.

Arcus Operating Foundation
EIN #26-1504481
List of Officers, Directors, Trustees, Foundation Manager and their Compensation
As of December 31, 2014

Name & Address	Title	Number of Hours per Week Devoted to Position Arcus Operating Foundation	Compensation Arcus Operating Foundation	Contributions to Employee Benefit Plans and Deferred Compensation Arcus Operating Foundation	Expense Account, Other Allowance Arcus Operating Foundation
Jon L Stryker 44 West 28th Street New York, NY 10001	Board President	4	$0	$0	$0
Darren Walker 44 West 28th Street New York, NY 10001	Board Secretary	1	$2,000	$0	$0
Stephen Bennett 44 West 28th Street New York, NY 10001	Board Treasurer	1	$2,000	$0	$0
Catherine Pino 44 West 28th Street New York, NY 10001	Board Member	1	$2,000	$0	$0
Jeff Trandahl 44 West 28th Street New York, NY 10001	Board Member	1	$2,000	$0	$0
Janet Mock 44 West 28th Street New York, NY 10001	Board Member	1	$2,000	$0	$0
Evelynn Hammonds 44 West 28th Street New York, NY 10001	Board Member	1	$2,000	$0	$0
Slobodan Randjelovic 44 West 28th Street New York, NY 10001	Board Member	1	$1,000	$0	$0
Kevin Jennings 44 West 28th Street New York, NY 10001	Executive Director	5	$35,466	$5,133	$0
			$48,466	$5,133	$0

Attachment A

Arcus Operating Foundation
EIN #26-1504481
List of the Five Highest Paid Employees and their Compensation
As of December 31, 2014

Name & Address	Title	Number of Hours per Week Devoted to Position Arcus Operating Foundation	Compensation Arcus Operating Foundation	Contributions to Employee Benefit Plans and Deferred Compensation Arcus Operating Foundation	Expense Account, Other Allowance Arcus Operating Foundation
Annette Lanjouw 44 West 28th Street New York, NY 10001	Vice President, Strategic Initiatives & Great Apes Program	20	$96,162	$18,394	$0
Helga Rainer 44 West 28th Street New York, NY 10001	Director, Conservation Program	12	$48,673	$9,936	$0
Linda D. May 44 West 28th Street New York, NY 10001	Director, Captive Apes Program	8	$28,221	$6,212	$0
Thomas W. Nichols 44 West 28th Street New York, NY 10001	Vice President, Finance & Operations	5	$25,115	$5,394	$0
Adam Phillipson 44 West 28th Street New York, NY 10001	Program Officer, Great Apes Program	8	$21,569	$4,195	$0
			$219,741	$44,131	$0

Attachment B

Docket Number	Organization Legal Name Organization Address	Approval Date	Grant Amount	Grant Description	Payments Made to Grantee	Payment Date	Amount Expended by Grantee	Balance of Funds	Diversion of Grant Funds	Type	Schedule Date	Received Date
1406-580	Russia Freedom Fund 44 West 28th Street, 17th Floor New York, NY 10001	6/25/2014	$25,000	To provide support for the Forum of LGBT Christians of Eastern Europe and Central Asia and creation of a book of theological articles on Christianity and Homosexuality in Russia	$25,000	8/5/2014	$11,114	$13,886	To the knowledge of Arcus Operating Foundation, the Grantee has not made any diversion of funds from the purpose of the grant	Narrative & Financial Report	1/31/2015	1/28/2015
							$0	$13,886		Narrative & Financial Report	5/31/2015	Not Due
1412 1128	Russia Freedom Fund 44 West 28th Street, 17th Floor New York, NY 10001	12/15/2014	$30,000	For the LGBTIQ Family Photography and Conference Project to promote a positive image of LGBTIQ people	$30,000	2/11/2015	$0	$30,000		Narrative & Financial Report	1/31/2016	Not Due
140C 43	Russia Freedom Fund 44 West 28th Street, 17th Floor New York, NY 10001	5/1/2014	$35,000	To support the PULSAR program which provides protection from violence for LGBT people in the Omsk area of Russia	$35,000	6/17/2014	$24,892	$10,108	To the knowledge of Arcus Operating Foundation, the Grantee has not made any diversion of funds from the purpose of the grant	Narrative & Financial Report	1/31/2015	2/2/2015
							$10,108	$0	To the knowledge of Arcus Operating Foundation, the Grantee has not made any diversion of funds from the purpose of the grant	Narrative & Financial Report	4/30/2015	4/28/2015
140C-39	Russia Freedom Fund 44 West 28th Street, 17th Floor New York, NY 10001	5/1/2014	$5,000	To support the Safety Fund which provides direct legal aid and counselling services to LGBT populations	$5,000	6/24/2014	$5,000	$0	To the knowledge of Arcus Operating Foundation, the Grantee has not made any diversion of funds from the purpose of the grant.	Narrative & Financial Report	1/31/2015	12/18/2014
1201 38	Hutan - Kinabatangan Orang-Utan Conservation Project PO Box 17793 Sandakan, Sabah 90734 Malaysia	3/16/2012	$600,000	For support of the Hutan-Kinabatangan Orangutan Conservation Project to implement holistic solutions for the conservation of orangutans compatible with socio-economic development in Sabah, Borneo Malaysia	$200,000	5/14/2012	$200,000	$0	To the knowledge of Arcus Operating Foundation, the Grantee has not made any diversion of funds from the purpose of the grant	Narrative & Financial Report	1/31/2013	2/18/2013
					$200,000	4/11/2013	$200,000	$0	To the knowledge of Arcus Operating Foundation, the Grantee has not made any diversion of funds from the purpose of the grant.	Narrative & Financial Report	1/31/2014	2/25/2014
					$200,000	12/12/2013	$200,000	$0	To the knowledge of Arcus Operating Foundation, the Grantee has not made any diversion of funds from the purpose of the grant.	Narrative & Financial Report	1/31/2015	2/10/2015
140C-03	Russia Freedom Fund 44 West 28th Street, 17th Floor New York, NY 10001	1/28/2014	$60,000	For Resource and Information Support to increase awareness of threats to LGBT people and human rights defenders	$60,000	2/21/2014	$60,000	$0	To the knowledge of Arcus Operating Foundation, the Grantee has not made any diversion of funds from the purpose of the grant	Narrative & Financial Report	1/31/2015	2/2/2015
140C-42	Russia Freedom Fund 44 West 28th Street, 17th Floor New York, NY 10001	5/1/2014	$25,000	To support intensive training courses and rehabilitation for Human Rights Defenders on the tools for crisis intervention and how to respond to distress	$25,000	10/21/2014	$25,000	$0	To the knowledge of Arcus Operating Foundation, the Grantee has not made any diversion of funds from the purpose of the grant.	Narrative & Financial Report	8/31/2014	9/2/2014

Arcus Operating Foundation
EIN #26-1504481
2014 Expenditure Responsibility

Docket Number	Organization Legal Name Organization Address	Approval Date	Grant Amount	Grant Description	Payments Made to Grantee	Payment Date	Amount Expended by Grantee	Balance of Funds	Diversion of Grant Funds	Type	Schedule Date	Received Date
1405-394	Russia Freedom Fund 44 West 28th Street, 17th Floor New York NY 10001	5/1/2014	$40,000	To support the legal assistance program, which will help Human Rights Defenders in Russia	$40,000	10/21/2014	$0	$40,000	To the knowledge of Arcus Operating Foundation, the Grantee has not made any diversion of funds from the purpose of the grant	Narrative & Financial Report	1/31/2015	2/3/2015
							$24,720	$15,280	To the knowledge of Arcus Operating Foundation, the Grantee has not made any diversion of funds from the purpose of the grant.	Narrative & Financial Report	4/30/2015	4/30/2015
								$15,280		Narrative & Financial Report	11/30/2015	Not Due
1412-1114	Russia Freedom Fund 44 West 28th Street, 17th Floor New York NY 10001	12/15/2014	$30,000	To support Volga Community Center, an LGBT center that will provide legal services, education and counselling	$30,000	2/4/2015	$0	$30,000		Narrative & Financial Report	1/31/2016	Not Due
1412 1119	Russia Freedom Fund 44 West 28th Street, 17th Floor New York, NY 10001	12/15/2014	$20,000	To support the creation of the Coalition for Civil Equality "Together" initiative to create a safe alternative meeting space for the LGBT community in St Petersburg	$20,000	1/4/2015	$0	$20,000		Narrative & Financial Report	1/31/2016	Not Due
1412 1125	Russia Freedom Fund 44 West 28th Street, 17th Floor New York, NY 10001	12/15/2014	$26,390	To support Perm Region LGBT Community Services and programming, including legal, psychological and educational support	$26,390	2/4/2015	$0	$26,390		Narrative & Financial Report	1/31/2016	Not Due
1412-1126	Russia Freedom Fund 44 West 28th Street, 17th Floor New York, NY 10001	12/15/2014	$20,708	To support the Sverdlovsk Regional Branch Center to provide the LGBT community with an activity center and psychological and legal services	$20,708	2/4/2015	$0	$20,708		Narrative & Financial Report	1/31/2016	Not Due
1406-630	Russia Freedom Fund 44 West 28th Street, 17th Floor New York, NY 10001	7/22/2014	$35,000	To support the Social and Informational project for the LGBT community, an online magazine (Out Loud) covering social and cultural aspects of LGBT living	$35,000	8/19/2014	$10,361	$24,639	To the knowledge of Arcus Operating Foundation, the Grantee has not made any diversion of funds from the purpose of the grant.	Narrative & Financial Report	1/31/2015	2/6/2015
							$0	$24,639		Narrative & Financial Report	8/31/2015	Not Due

Docket Number	Organization Legal Name Organization Address	Approval Date	Grant Amount	Grant Description	Payments Made to Grantee	Payment Date	Amount Expended by Grantee	Balance of Funds	Diversion of Grant Funds	Type	Schedule Date	Received Date
1407 734	Russia Freedom Fund 44 West 28th Street, 17th Floor New York, NY 10001	7/28/2014	$30,000	To support fostering administrative and judicial developments to guarantee human rights-based procedures for changing gender identity documentation	$30,000	8/19/2014	$30,000	$0	To the knowledge of Arcus Operating Foundation, the Grantee has not made any diversion of funds from the purpose of the grant	Narrative & Financial Report	1/31/2015	2/18/2015
1412 1122	Russia Freedom Fund 44 West 28th Street, 17th Floor New York, NY 10001	12/15/2014	$11,872	Support to create a safe space for LGBT parents and their children	$11,872	1/22/2015	$0	$11,872		Narrative & Financial Report	1/31/2016	Not Due
1412-1124	Russia Freedom Fund 44 West 28th Street, 17th Floor New York, NY 10001	12/15/2014	$21,057	To increase legal awareness of the LGBT community in the Tyumen region through legal advice, education and services as well as engagement with strategic litigation through Rainbow House	$21,057	1/22/2015	$0	$21,057		Narrative & Financial Report	1/31/2016	Not Due
1412 1120	Russia Freedom Fund 44 West 28th Street, 17th Floor New York, NY 10001	12/15/2014	$50,000	To support a legal empowerment program, including support and mobilization of the LGBT community, litigation and monitoring of rights violations	$12,500	1/23/2015	$0	$12,500		Narrative & Financial Report	6/30/2015	Not Due
							$0	$12,500		Narrative & Financial Report	1/31/2016	Not Due
1406 565	Russia Freedom Fund 44 West 28th Street, 17th Floor New York, NY 10001	8/12/2014	$35,000	To support the creation of an online portal/platform that will collect and systematize information about the Russian LGBT movement	$35,000	9/2/2014	$12,128	$22,872	To the knowledge of Arcus Operating Foundation, the Grantee has not made any diversion of funds from the purpose of the grant.	Narrative & Financial Report	1/31/2015	1/30/2015
							$0	$22,872			8/31/2015	Not Due
1412 1116	Russia Freedom Fund 44 West 28th Street, 17th Floor New York, NY 10001	12/15/2014	$65,000	For Regional, Online, Outreach and Volunteer Projects to educate the general public on positions of tolerance and respect	$33,376	1/22/2015	$0	$33,376		Narrative & Financial Report	10/31/2015	Not due
										Narrative & Financial Report	10/31/2016	Not due
14OC 40	Russia Freedom Fund 44 West 28th Street, 17th Floor New York, NY 10001	5/1/2014	$25,000	To support the establishment of a legal services program for the LGBT community in the Askhangeslsk region, which includes direct legal aid through consultations	$25,000	6/1/2014	$13,680	$11,320	To the knowledge of Arcus Operating Foundation, the Grantee has not made any diversion of funds from the purpose of the grant.	Narrative & Financial Report	1/31/2015	1/28/2015
							$0	$11,320		Narrative & Financial Report	5/31/2015	Not Due
1406-620	Russia Freedom Fund 44 West 28th Street, 17th Floor New York, NY 10001	8/12/2014	$45,000	Support for Organizational Capacity Development and an LGBT Faith Seminar	$45,000	9/14/2014	$45,000	$0	To the knowledge of Arcus Operating Foundation, the Grantee has not made any diversion of funds from the purpose of the grant	Narrative & Financial Report		

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	10,448 SHARES OF BARCLAYS CAPITAL 1-3 YEAR CREDIT	P	08/10/12	01/24/14
b	7,579 SHARES OF BARCLAYS CAPITAL 1-3 YEAR CREDIT	P	08/10/12	05/16/14
c	5,690 SHARES OF BARCLAYS CAPITAL 1-3 YEAR CREDIT	P	08/10/12	07/21/14
d	10,440 SHARES OF BARCLAYS CAPITAL 1-3 YEAR CREDIT	P	08/10/12	10/20/14
e				
f				
g				
h				
i				
j				
k				
l				
m				
n				
o				

	(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	1,100,061.		1,098,986.	1,075.
b	799,946.		797,207.	2,739.
c	600,057.		598,510.	1,547.
d	1,103,392.		1,098,145.	5,247.
e				
f				
g				
h				
i				
j				
k				
l				
m				
n				
o				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a				1,075.
b				2,739.
c				1,547.
d				5,247.
e				
f				
g				
h				
i				
j				
k				
l				
m				
n				
o				

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	10,608.
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) If (loss), enter "-0-" in Part I, line 8	3	0.