Extended to November 15, 2016

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

2015

Open to Public Inspection

For calendar year 2015 or tax year beginning , and ending

Name of foundation: THE F.B. HERON FOUNDATION

A Employer identification number: 13-3647019

Number and street (or P O box number if mail is not delivered to street address): 100 BROADWAY, 17TH FLOOR — Room/suite:

B Telephone number: (212)404-1800

City or town, state or province, country, and ZIP or foreign postal code: NEW YORK, NY 10005

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: [X] 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) ▶$ 273,658,696.

J Accounting method: ☐ Cash [X] 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))

		(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			N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	7,497.	7,497.		Statement 2
	4 Dividends and interest from securities	6,644,633.	6,640,636.		Statement 3
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	2,905,952.			Statement 1
	b Gross sales price for all assets on line 6a 51,839,945.				
	7 Capital gain net income (from Part IV, line 2)		2,336,250.		
	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	92,500.	0.		Statement 4
	12 **Total** Add lines 1 through 11	9,650,582.	8,984,383.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	641,052.	134,440.		506,612.
	14 Other employee salaries and wages	1,671,760.	262,555.		1,423,736.
	15 Pension plans, employee benefits	654,537.	112,352.		568,577.
	16a Legal fees Stmt 5	37,931.	1,141.		46,915.
	b Accounting fees Stmt 6	78,925.	5,995.		64,595.
	c Other professional fees Stmt 7	1,711,967.	573,453.		1,070,916.
	17 Interest				
	18 Taxes Stmt 8	181,458.	0.		0.
	19 Depreciation and depletion				
	20 Occupancy	441,194.	75,732.		325,199.
	21 Travel, conferences, and meetings	166,727.	862.		178,702.
	22 Printing and publications				
	23 Other expenses Stmt 9	577,548.	72,804.		461,244.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	6,163,099.	1,239,334.		4,646,496.
	25 Contributions, gifts, grants paid	5,695,030.			5,839,910.
	26 **Total expenses and disbursements** Add lines 24 and 25	11,858,129.	1,239,334.		10,486,406.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	-2,207,547.			
	b **Net investment income** (if negative, enter -0-)		7,745,049.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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Form **990-PF** (2015)

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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	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing		1,464,678.	1,464,678.
	2 Savings and temporary cash investments	9,379,477.	7,530,236.	7,530,236.
	3 Accounts receivable ▶ 679,071.			
	Less: allowance for doubtful accounts ▶	513,472.	679,071.	679,071.
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	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	546,233.	217,417.	217,417.
	10a Investments - U.S. and state government obligations Stmt 11	42,338,013.	47,722,359.	47,722,359.
	b Investments - corporate stock Stmt 12	184,012,800.	169,530,399.	169,530,399.
	c Investments - corporate bonds Stmt 13	26,409,959.	22,250,817.	22,250,817.
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other Stmt 14	9,546,304.	9,975,086.	9,975,086.
	14 Land, buildings, and equipment: basis ▶ 691,321.			
	Less accumulated depreciation Stmt 15▶ 691,321.			
	15 Other assets (describe ▶ Statement 16)	15,965,702.	14,288,633.	14,288,633.
	16 **Total assets** (to be completed by all filers - see the instructions Also, see page 1, item I)	288,711,960.	273,658,696.	273,658,696.
Liabilities	17 Accounts payable and accrued expenses	561,484.	595,087.	
	18 Grants payable	204,130.	59,250.	
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶ Statement 17)	545,492.	312,389.	
	23 **Total liabilities** (add lines 17 through 22)	1,311,106.	966,726.	
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	287,400,854.	272,691,970.	
	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**	287,400,854.	272,691,970.	
	31 **Total liabilities and net assets/fund balances**	288,711,960.	273,658,696.	

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	287,400,854.
2	Enter amount from Part I, line 27a	2	-2,207,547.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	285,193,307.
5	Decreases not included in line 2 (itemize) ▶ See Statement 10	5	12,501,337.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	272,691,970.

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 Statements			
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	51,839,945.		49,503,695.	2,336,250.

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a				
b				
c				
d				
e				2,336,250.

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** 2,336,250.

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** N/A

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))
2014	14,616,208.	272,919,958.	.053555
2013	15,335,780.	258,715,980.	.059277
2012	9,279,663.	235,797,771.	.039354
2011	11,166,349.	233,601,985.	.047801
2010	12,908,133.	219,747,335.	.058741

2	**Total** of line 1, column (d)	2	.258728
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	.051746
4	Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	266,667,036.
5	Multiply line 4 by line 3	5	13,798,952.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	77,450.
7	Add lines 5 and 6	7	13,876,402.
8	Enter qualifying distributions from Part XII, line 4	8	11,963,385.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate.
See the Part VI instructions.

Part VI | Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ________ **(attach copy of letter if necessary-see instructions)**				
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b			1	154,901.
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	154,901.
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	154,901.
6 Credits/Payments:				
a 2015 estimated tax payments and 2014 overpayment credited to 2015	6a	195,067.		
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	195,067.
8 Enter any **penalty** for underpayment of estimated tax. Check here [X] 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	40,166.
11 Enter the amount of line 10 to be: **Credited to 2016 estimated tax** ▶	40,166.	**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) ▶ 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 2015 or the taxable year beginning in 2015 (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)*

			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.FBHERON.ORG

14 The books are in care of ▶ The Foundation Telephone no. ▶ (212) 404-1800

Located at ▶ 100 BROADWAY, 17TH FLOOR, NEW YORK, NY ZIP+4 ▶ 10005

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

			Yes	No
16	At any time during calendar year 2015, 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		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 2015?		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 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015?	☐ 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 2015 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 2015.)*	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 2015?		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		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?	☒ 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 Statement 18		641,052.	100,640.	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
DANA PANCRAZI	VP OF CAPITAL MARKETS 40.00	222,860.	57,044.	0.
TONI JOHNSON	VP KNOWLEDGE & INFLUENCE 40.00	193,230.	30,658.	0.
AMY ORR	DIRECTOR CAPITAL MARKETS 40.00	139,287.	28,640.	0.
RODNEY CHRISTOPHER	DIRECTOR CAPITAL MARKETS 40.00	131,650.	26,522.	0.
PREETI BHATTACHARJI	DIRECTOR STRATEGIC INITIATIVES 40.00	121,758.	21,796.	0.
Total number of other employees paid over $50,000			▶	8

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
NEXT STREET , NEW YORK, NY	CONSULTING	300,000.
CAMBRIDGE ASSOCIATES 100 SUMMER STREET, BOSTON, MA 02110	INVESTMENT CONSULTING	255,000.
BLACKROCK GLOBAL INVESTORS - ONE INTERNATIONAL PLACE - 45TH FLOOR, BOSTON, MA	INVESTMENT ADVISORY	118,780.
EDGE , HOBOKEN, NJ	CONSULTING	111,239.
STATE STREET GLOBAL ADVISORS , NEW YORK, NY 10174	INVESTMENT ADVISORY	106,696.
Total number of others receiving over $50,000 for professional services ▶		5

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 PROVIDING ASSISTANCE TO OTHER CHARITABLE ORGANIZATIONS THROUGH BOARD SERVICE, CONVENING CONFERENCES AND MEETINGS AND PROVIDING DIRECT TECHNICAL ASSISTANCE	91,665.
2	
3	
4	

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 SEE SCHEDULE ATTACHED #18	1,476,979.
2	
All other program-related investments. See instructions. 3	
Total. Add lines 1 through 3 ▶	1,476,979.

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	265,303,486.
b	Average of monthly cash balances		1b	4,446,373.
c	Fair market value of all other assets		1c	978,096.
d	**Total** (add lines 1a, b, and c)		1d	270,727,955.
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	270,727,955.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	4,060,919.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	266,667,036.
6	**Minimum investment return.** Enter 5% of line 5		6	13,333,352.

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	13,333,352.
2a	Tax on investment income for 2015 from Part VI, line 5	2a 154,901.		
b	Income tax for 2015. (This does not include the tax from Part VI.)	2b		
c	Add lines 2a and 2b		2c	154,901.
3	Distributable amount before adjustments. Subtract line 2c from line 1		3	13,178,451.
4	Recoveries of amounts treated as qualifying distributions		4	2,154,049.
5	Add lines 3 and 4		5	15,332,500.
6	Deduction from distributable amount (see instructions)		6	0.
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1		7	15,332,500.

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	10,486,406.
b	Program-related investments - total from Part IX-B	1b	1,476,979.
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	11,963,385.
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	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	11,963,385.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII **Undistributed Income** (see instructions)

	(a) Corpus	(b) Years prior to 2014	(c) 2014	(d) 2015
1 Distributable amount for 2015 from Part XI, line 7				15,332,500.
2 Undistributed income, if any, as of the end of 2015				
a Enter amount for 2014 only			0.	
b Total for prior years: ______ , ______ , ______		0.		
3 Excess distributions carryover, if any, to 2015:				
a From 2010				
b From 2011				
c From 2012				
d From 2013 975,789.				
e From 2014 194,952.				
f **Total** of lines 3a through e	1,170,741.			
4 Qualifying distributions for 2015 from Part XII, line 4: ▶ $ 11,963,385.				
a Applied to 2014, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2015 distributable amount				11,963,385.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2015 (If an amount appears in column (d), the same amount must be shown in column (a).)	1,170,741.			1,170,741.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2014. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2015. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2016				2,198,374.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)	0.			
8 Excess distributions carryover from 2010 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2016.** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2011				
b Excess from 2012				
c Excess from 2013				
d Excess from 2014				
e Excess from 2015				

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

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 2015, 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) 2015	(b) 2014	(c) 2013	(d) 2012	(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					
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).)

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. (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:

THE F.B. HERON FOUNDATION, 212-404-1800
100 BROADWAY, 17TH FLOOR, NEW YORK, NY 10005

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

PLEASE REFER TO THE WEBSITE - WWW.HERON.ORG

c Any submission deadlines:

NONE

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

PER GUIDELINES

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*				
SEE ATTACHED LIST #20				5,839,910.
Total			▶ 3a	5,839,910.
b *Approved for future payment*				
SEE ATTACHED LIST #20				59,250.
Total			▶ 3b	59,250.

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) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue:					
a CONTRACT FEE					92,500.
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	7,497.	
4 Dividends and interest from securities			14	6,644,633.	
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			18		
8 Gain or (loss) from sales of assets other than inventory			18	2,905,952.	
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.		9,558,082.	92,500.

13 Total Add line 12, columns (b), (d), and (e) 13 9,650,582.

(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).
1	LICENSING REVENUE FROM US COMMUNITY INVESTING INDEX

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

			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

Signature of officer or trustee: [signature] Date: 11/15/16 Title: President

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
John Corcoran	[signature]	11/14/16		P01468574
Firm's name ▶ Owen J Flanagan & Co			Firm's EIN ▶ 13-2060851	
Firm's address ▶ 60 East 42nd Street New York, NY 10165			Phone no. 212-682-2783	

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	PUBLICLY TRADED SECURITIES	P		
b	BLACKROCK PASS-THRU: EAFE EQUITY B	P		
c	BLACKROCK PASS-THRU: EQUITY INDEX	P		
d	BLACKROCK PASS-THRU: MSCI EMERGING MKTS			
e	BLACKROCK PASS-THRU: INT. TERM CREDIT	P		
f	BLACKROCK EQUITY INDEX REDEMPTION	P		07/07/15
g	BLACKROCK INTERMEDIATE TERM CREDIT REDEMPTION	P		07/15/15
h	BLACKROCK EQUITY INDEX REDEMPTION	P		12/23/15
i	YUCAIPA - THRU PARTNERSHIP	P		
j	CANYON JOHNSON URBAN FUND - THRU PARTNERSHIP	P		
k	CALIFORNIA SMART GROWTH - THRU PARTNERSHIP	P		
l	YUCAIPA PARALLEL - THRU PARTNERSHIP	P		
m	HUNTINGTON CAPITAL III - THRU PARTNERSHIP			
n	HUNTINGTON CAPITAL II - THRU PARTNERSHIP			
o	SJF III - THRU PARTNERSHIP	P		

	(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	12,120,238.		11,211,854.	908,384.
b	2,064,149.			2,064,149.
c	732,338.			732,338.
d			1,304,156.	-1,304,156.
e	42,893.			42,893.
f	4,000,000.		3,548,637.	451,363.
g	25,642,945.		26,749,552.	-1,106,607.
h	6,064,349.		5,860,523.	203,826.
i	80,591.			80,591.
j	76,975.			76,975.
k	124,380.			124,380.
l	444,521.			444,521.
m			12,000.	-12,000.
n			56,636.	-56,636.
o	144,815.			144,815.

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) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a				908,384.
b				2,064,149.
c				732,338.
d				-1,304,156.
e				42,893.
f				451,363.
g				-1,106,607.
h				203,826.
i				80,591.
j				76,975.
k				124,380.
l				444,521.
m				-12,000.
n				-56,636.
o				144,815.

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	
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	

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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	BAY AREA EQUITY FUND - THRU PARTNERSHIP			
b	BAY AREA STOCK DISTRIBUTED AND SOLD	P		
c	CLASS ACTIONS	P		
d	URBAN AMERICA - THRU PARTNERSHIP	P		
e	URBAN AMERICA II - THRU PARTNERSHIP			
f	Book Tax Difference	P		
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			36,051.	-36,051.
b	293,482.		4,732.	288,750.
c	8,214.			8,214.
d	55.			55.
e			149,852.	-149,852.
f			569,702.	-569,702.
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				-36,051.
b				288,750.
c				8,214.
d				55.
e				-149,852.
f				-569,702.
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	2,336,250.
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	N/A

Form 990-PF Gain or (Loss) from Sale of Assets Statement 1

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
PUBLICLY TRADED SECURITIES	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
12,120,238.	11,211,854.	0.	0.	908,384.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
BLACKROCK PASS-THRU: EAFE EQUITY B	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
2,064,149.	0.	0.	0.	2,064,149.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
BLACKROCK PASS-THRU: EQUITY INDEX	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
732,338.	0.	0.	0.	732,338.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
BLACKROCK PASS-THRU: MSCI EMERGING MKTS	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
0.	1,304,156.	0.	0.	-1,304,156.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
BLACKROCK PASS-THRU: INT. TERM CREDIT	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
42,893.	0.	0.	0.	42,893.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
BLACKROCK EQUITY INDEX REDEMPTION	Purchased		07/07/15

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
4,000,000.	3,548,637.	0.	0.	451,363.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
BLACKROCK INTERMEDIATE TERM CREDIT REDEMPTION	Purchased		07/15/15

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
25,642,945.	26,749,552.	0.	0.	-1,106,607.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
BLACKROCK EQUITY INDEX REDEMPTION	Purchased		12/23/15

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
6,064,349.	5,860,523.	0.	0.	203,826.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
YUCAIPA - THRU PARTNERSHIP	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
80,591.	0.	0.	0.	80,591.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
CANYON JOHNSON URBAN FUND - THRU PARTNERSHIP	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
76,975.	0.	0.	0.	76,975.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
CALIFORNIA SMART GROWTH - THRU PARTNERSHIP	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
124,380.	0.	0.	0.	124,380.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
YUCAIPA PARALLEL - THRU PARTNERSHIP	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
444,521.	0.	0.	0.	444,521.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
HUNTINGTON CAPITAL III - THRU PARTNERSHIP	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
0.	12,000.	0.	0.	-12,000.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
HUNTINGTON CAPITAL II - THRU PARTNERSHIP	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
0.	56,636.	0.	0.	-56,636.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
SJF III - THRU PARTNERSHIP	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
144,815.	0.	0.	0.	144,815.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
BAY AREA EQUITY FUND - THRU PARTNERSHIP	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
0.	36,051.	0.	0.	-36,051.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
BAY AREA STOCK DISTRIBUTED AND SOLD	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
293,482.	4,732.	0.	0.	288,750.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
CLASS ACTIONS	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
8,214.	0.	0.	0.	8,214.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
URBAN AMERICA - THRU PARTNERSHIP	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
55.	0.	0.	0.	55.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
URBAN AMERICA II - THRU PARTNERSHIP	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
0.	149,852.	0.	0.	-149,852.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
Book Tax Difference	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
0.	0.	0.	0.	0.

Capital Gains Dividends from Part IV	0.
Total to Form 990-PF, Part I, line 6a	2,905,952.

Form 990-PF Interest on Savings and Temporary Cash Investments Statement 2

Source	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
MONEY MARKET	7,497.	7,497.	
Total to Part I, line 3	7,497.	7,497.	

Form 990-PF Dividends and Interest from Securities Statement 3

Source	Gross Amount	Capital Gains Dividends	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
INT AND DIV ON SECURITIES	6,707,203.	0.	6,707,203.	6,707,203.	
PARTNERSHIP	-62,570.	0.	-62,570.	-62,570.	
PARTNERSHIP BOOK TAX DIFF	0.	0.	0.	-3,997.	
To Part I, line 4	6,644,633.	0.	6,644,633.	6,640,636.	

Form 990-PF Other Income Statement 4

Description	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
CONTRACT FEE	92,500.	0.	
Total to Form 990-PF, Part I, line 11	92,500.	0.	

Form 990-PF Legal Fees Statement 5

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
LEGAL SERVICES	37,931.	1,141.		46,915.
To Fm 990-PF, Pg 1, ln 16a	37,931.	1,141.		46,915.

Form 990-PF Accounting Fees Statement 6

Description	(a) Expenses Per Books	(b) Net Invest-ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
OUTSOURCED CONTROLLER	44,000.	0.		36,700.
AUDIT	34,925.	5,995.		27,895.
To Form 990-PF, Pg 1, ln 16b	78,925.	5,995.		64,595.

Form 990-PF Other Professional Fees Statement 7

Description	(a) Expenses Per Books	(b) Net Invest-ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
INVESTMENT ADVISORY	504,111.	504,111.		0.
PORTFOLIO MONITORING	360,847.	59,275.		298,751.
HUMAN RESOURCES	42,024.	0.		40,596.
PROFESSIONAL DEVELOPMENT	48,643.	8,350.		40,759.
RECRUITING	6,681.	0.		6,681.
DESKTOP AND NETWORK SUPPORT	96,248.	0.		94,633.
MARKETING	145,053.	0.		142,553.
PLATFORM AND NETWORK SYSTEMS	124,628.	0.		124,628.
OFFICE RENOVATION	10,000.	1,717.		8,283.
CONSULTING AND ADVISING	372,929.	0.		313,591.
OTHER	803.	0.		441.
To Form 990-PF, Pg 1, ln 16c	1,711,967.	573,453.		1,070,916.

Form 990-PF Taxes Statement 8

Description	(a) Expenses Per Books	(b) Net Invest-ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
FEDERAL EXCISE TAX	181,458.	0.		0.
To Form 990-PF, Pg 1, ln 18	181,458.	0.		0.

Form 990-PF Other Expenses Statement 9

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
CUSTODY FEES	52,602.	52,602.		0.
EQUIPMENT AND EQUIPMENT REPAIR	32,994.	5,663.		27,331.
OFFICE EXPENSES	20,517.	3,522.		16,995.
INSURANCE	30,318.	5,204.		26,217.
BANK FEES AND INTEREST	2,313.	0.		2,313.
SOFTWARE LICENSING	32,168.	5,522.		26,646.
MARKET DATA	187,362.	0.		142,009.
MARKET INTELLIGENCE	93,000.	0.		93,000.
DUES AND SUBSCRIPTIONS	59,114.	0.		59,114.
TEMPORARY HELP	50,949.	0.		50,949.
OTHER	16,211.	291.		16,670.
To Form 990-PF, Pg 1, ln 23	577,548.	72,804.		461,244.

Form 990-PF Other Decreases in Net Assets or Fund Balances Statement 10

Description	Amount
CHANGE IN UNREALIZED APPRECIATION, NET OF DEFERRED TAX	12,501,337.
Total to Form 990-PF, Part III, line 5	12,501,337.

Form 990-PF U.S. and State/City Government Obligations Statement 11

Description	U.S. Gov't	Other Gov't	Book Value	Fair Market Value
US GOVERNMENT	X		26,789,274.	26,789,274.
MUNICIPALS		X	20,933,085.	20,933,085.
Total U.S. Government Obligations			26,789,274.	26,789,274.
Total State and Municipal Government Obligations			20,933,085.	20,933,085.
Total to Form 990-PF, Part II, line 10a			47,722,359.	47,722,359.

Form 990-PF	Corporate Stock	Statement 12

Description	Book Value	Fair Market Value
BLACKROCK EMERGING MARKETS	16,022,973.	16,022,973.
BLACKROCK EAFE EQUITY INDEX FUND	52,916,484.	52,916,484.
STOCK INVESTMENTS	76,157,273.	76,157,273.
BLACKROCK EQUITY INDEX FUND	0.	0.
COMMUNITY INDEX COMMINGLED FUND	24,433,669.	24,433,669.
Total to Form 990-PF, Part II, line 10b	169,530,399.	169,530,399.

Form 990-PF	Corporate Bonds	Statement 13

Description	Book Value	Fair Market Value
BLACKROCK INT TERM CREDIT BOND FUND	0.	0.
CORPORATE ISSUES	22,250,817.	22,250,817.
Total to Form 990-PF, Part II, line 10c	22,250,817.	22,250,817.

Form 990-PF	Other Investments	Statement 14

Description	Valuation Method	Book Value	Fair Market Value
MISSION RELATED INSURED DEPOSITS	FMV	0.	0.
MISSION RELATED LIMITED PARTNERSHIPS	FMV	9,381,498.	9,381,498.
OTHER	FMV	593,588.	593,588.
Total to Form 990-PF, Part II, line 13		9,975,086.	9,975,086.

Form 990-PF Depreciation of Assets Not Held for Investment Statement 15

Description	Cost or Other Basis	Accumulated Depreciation	Book Value
LEASEHOLD IMPROVEMENTS	446,255.	446,255.	0.
FURNITURE	120,581.	120,581.	0.
EQUIPMENT	16,350.	16,350.	0.
EQUIPMENT	22,693.	22,693.	0.
EQUIPMENT	85,442.	85,442.	0.
Total To Fm 990-PF, Part II, ln 14	691,321.	691,321.	0.

Form 990-PF Other Assets Statement 16

Description	Beginning of Yr Book Value	End of Year Book Value	Fair Market Value
PROGRAM RELATED INVESTMENTS #19	15,965,702.	14,288,633.	14,288,633.
To Form 990-PF, Part II, line 15	15,965,702.	14,288,633.	14,288,633.

Form 990-PF Other Liabilities Statement 17

Description	BOY Amount	EOY Amount
DEFERRED RENT	112,726.	114,828.
DEFERRED FEDERAL EXCISE TAX	432,766.	197,561.
Total to Form 990-PF, Part II, line 22	545,492.	312,389.

Form 990-PF — Part VIII - List of Officers, Directors Trustees and Foundation Managers — Statement 18

Name and Address	Title and Avrg Hrs/Wk	Compen-sation	Employee Ben Plan Contrib	Expense Account
ANNE WADE C/O F.B. HERON FOUNDATION NEW YORK, NY 10005	DIRECTOR 3.00	0.	0.	0.
CLARA G MILLER C/O F.B. HERON FOUNDATION NEW YORK, NY 10005	PRESIDENT & DIRECTOR 40.00	418,496.	58,593.	0.
IAN MAGEE C/O F.B. HERON FOUNDATION NEW YORK, NY 10005	SECY/TREAS VP FIN & OPERAT 40.00	222,556.	42,047.	0.
BUZZ SCHMIDT C/O F.B. HERON FOUNDATION NEW YORK, NY 10005	CHAIRMAN 4.00	0.	0.	0.
WILLIAM MC CALPIN C/O F.B. HERON FOUNDATION NEW YORK, NY 10005	DIRECTOR 3.00	0.	0.	0.
JAMES JOSEPH C/O F.B. HERON FOUNDATION NEW YORK, NY 10005	DIRECTOR 3.00	0.	0.	0.
JOHN OTTERLEI C/O F.B. HERON FOUNDATION NEW YORK, NY 10005	DIRECTOR 3.00	0.	0.	0.
Totals included on 990-PF, Page 6, Part VIII		641,052.	100,640.	0.

2015 DEPRECIATION AND AMORTIZATION REPORT

Form 990-PF Page 1 990-PF

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
1	LEASEHOLD IMPROVEMENTS	050100		.000	16	446,255.			446,255.	446,255.		0.
2	FURNITURE	050100		.000	16	120,581.			120,581.	120,581.		0.
3	EQUIPMENT	050100		.000	16	16,350.			16,350.	16,350.		0.
4	EQUIPMENT	063008		.000	16	22,693.			22,693.	22,693.		0.
5	EQUIPMENT	010113		.000	16	85,442.			85,442.	85,442.		0.
	* Total 990-PF Pg 1 Depr					691,321.		0.	691,321.	691,321.	0.	0.

528102
04-01-15

(D) - Asset disposed

* ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction

THE F B HERON FOUNDATION
SCHEDULE OF PRI ACTIVITY
As of December 31, 2015
Stmt 19

Deal ID and Name	Principal Activity				Interest Activity			
	INVESTMENT VALUE Year Ending 12/31/2014	DECREASE IN PRINCIPAL Year Ending 12/31/2015	INCREASE IN PRINCIPAL Year Ending 12/31/2015	INVESTMENT VALUE Year Ending 12/31/2015	INTEREST DUE at 12/31/2014	INTEREST ACCRUED Year Ending 12/31/2015	INTEREST RECEIVED Year Ending 12/31/2015	INTEREST DUE at 12/31/2015
	Beginning Balance	Return of Capital	Call of Capital	Ending Balance				
PRIs - ALL								
PRIs - DEBT								
1002 - BOSTON COMMUNITY LOAN FUND	750,000 00	0 00	0 00	750,000 00	6,563 00	26,250 00	(26,250 00)	6,563 00
1003 - COMMUNITY REINVESTMENT FUND	1,364,593 05	0 00	56,466 53	1,421,059 58	0 00	56,466 53	(56,466 53)	(0 00)
1004 - FAHE	450,000 00	(50,000 00)	0 00	400,000 00	3,375 00	13,125 00	(13,500 00)	3,000 00
1005 - HABITAT FLEXCAP 2009-1	104,134 19	(71,869 59)	0 00	32,264 60	3,467 42	2,803 36	(2,297 78)	3,973 00
1006 - HABITAT FLEXCAP 2009-2	83,924 89	(61,574 60)	0 00	22,350 29	2,161 47	2,446 79	(1,987 27)	2,620 99
1007 - HABITAT FLEXCAP 2010-2	141,592 54	(49,455 24)	0 00	92,137 30	7,596 82	4,836 50	(2,952 43)	9,480 89
3002 - HABITAT FLEXCAP 2012-1	703,467 03	(139,047 84)	0 00	564,419 19	5,476 20	21,717 27	(12,010 45)	15,183 02
1009 - HOUSING ASSISTANCE COUNCIL	500,000 00	0 00	0 00	500,000 00	2,813 00	14,618 58	(14,216 61)	3,214 97
1010 - LATINO COMMUNITY CREDIT UNION	50,000 00	(50,000 00)	0 00	0 00	4,059 00	6,533 25	(6,533 25)	4,059 00
1014 - NEW HAMPSHIRE COMMUNITY LOAN FUND	450,000 00	(100,000 00)	50,000 00	400,000 00	4,500 00	17,500 00	(18,000 00)	4,000 00
1015 - NONPROFIT FINANCE FUND	500,000 00	0 00	0 00	500,000 00	1,250 00	5,000 00	(5,000 00)	1,250 00
1019 - THE REINVESTMENT FUND	500,000 00	0 00	0 00	500,000 00	4,375 00	17,500 00	(17,500 00)	4,375 00
1020 - RURAL COMMUNITY ASSISTANCE CORPORATIOI	450,000 00	(450,000 00)	0 00	0 00	3,937 50	10,937 50	(14,875 00)	0 00
1021 - SELF HELP ENTERPRISES	750,000 00	0 00	0 00	750,000 00	7,500 00	30,000 00	(30,000 00)	7,500 00
3008 - SUN INITIATIVE FINANCING LLC	1,000,000 00	(1,000,000 00)	0 00	0 00	14,992 72	14,048 94	(29,041 66)	0 00
3029 - CRAFT3	5,000,000 00	0 00	0 00	5,000,000 00	5,000 00	38,392 91	(38,392 91)	5,000 00
1012 - NFCDCU	1,000,000 00	0 00	0 00	1,000,000 00	2,473 00	5,000 00	(5,000 00)	2,473 00
Total PRIs - DEBT	13,797,711.70	(1,971,947.27)	106,466.53	11,932,230.96	79,540.13	287,176.63	(294,023.89)	72,692.87
PRIs - EQUITY								
1011 - MERITUS VENTURES LP	500,000 00	0 00	0 00	500,000 00	0 00	0 00	0 00	0 00
1013 - NATIVE AMERICAN BANCORPORATION	169,592 00	0 00	0 00	169,592 00	0 00	0 00	0 00	0 00
1016 - NORTHWEST LOUISIANA CDF	435,859 20	(131,146 07)	0 00	304,713 13	0 00	0 00	0 00	0 00
1017 - PACIFIC COMMUNITY VENTURES FUND III	432,182 56	0 00	0 00	432,182 56	0 00	0 00	0 00	0 00
1018 - PENN VENTURE PARTNERS LP	250,000 00	0 00	0 00	250,000 00	0 00	0 00	0 00	0 00
1022 - SJF VENTURES FUND II LP	159,142 44	(50,955 41)	0 00	108,187 03	0 00	0 00	0 00	0 00
1023 - SOUTHERN APPALACHIAN FUND LP	400,000 00	0 00	0 00	400,000 00	0 00	0 00	0 00	0 00
3010 - COOPMETRICS	1,500,000 00	0 00	0 00	1,500,000 00	0 00	0 00	0 00	0 00
3030 - BRIDGES US 2014-1	321,214 29	0 00	870,512 56	1,191,726 85	0 00	0 00	0 00	0 00
3060 - COMETRICS PRIVATE EQUITY 2015	0 00	0 00	500,000 00	500,000 00	0 00	0 00	0 00	0 00
Total PRIs - EQUITY	4,167,990.49	(182,101.48)	1,370,512.56	5,356,401.57	0.00	0.00	0.00	0.00
Total PRIs - ALL	17,965,702.19	(2,154,048 75)	1,476,979.09	17,288,632.53	79,540.13	287,176.63	(294,023.89)	72,692.87
Insured Deposits								
1039 - URBAN PARTNERSHIP BANK	250,000 00	250,000 00	0 00	0 00	441 10	0 00	(441 10)	0 00
Total PRIs and Deposits	18,215,702.19	(1,904,048.75)	1,476,979.09	17,288,632.53	79,981.23	287,176.63	(294,464.99)	72,692.87

SCHEDULE OF GRANT ACTIVITY - FY 2015

Statement 20

PARENT ENTERPRISE	DISBURSED in 2015	*REFUNDED in 2015*	PAYABLE at FYE 2015
Buffalo Niagara Medical Center	-	-	-
Center for Financial Services Innovation	(500,000)	-	-
Council for Adult Experiential Learning	(500,000)	-	-
Family Independence Initiative	(500,000)	-	-
National Organization on Disability	(500,000)	-	-
CECP	(500,000)	-	-
Center for Alternative Sentencing and Employment Services (CASES)	(150,000)	-	-
Coastal Enterprises	(125,000)	-	-
Beverly Gray Exchange Center	(50,000)	-	-
Accion US	(125,000)	-	-
Per Scholas	(40,000)	-	-
Edison Welding	(132,000)	-	-
Doran Jones	(150,000)	-	-
Cometrics	(150,000)	-	-
Cometrics	(100,000)	-	-
Council on Foundations	(46,250)	-	-
United Way of NYC	(250,000)	-	-
DEMOS: A NETWORK FOR IDEAS AND ACTION	(100,000)	-	-
ECONOMIC POLICY INSTITUTE	(100,000)	-	-
MANHATTAN INSTITUTE FOR POLICY RESEARCH	(100,000)	-	-
POP TECH INSTITUTE, THE	(25,000)	-	-
ASPEN BUSINESS AND SOCIETY PROGRAM	(50,000)	-	-
RUTGERS UNIVERSITY FOUNDATION	(125,000)	-	-
HITACHI FOUNDATION, THE	(150,000)	-	-
ASPEN INSTITUTE INC, THE	(30,000)	-	-
BUFFALO NIAGARA RIVERKEEPER	(130,000)	-	-
DRAPER RICHARDS KAPLAN FOUNDATION	(150,000)	-	-
CAPITAL INSTITUTE INC	(40,000)	-	-
GREENE INSTITUTE, THE	(50,000)	-	-
COMMUNITY FOUNDATION FOR SOUTHERN ARIZONA	(35,000)	-	-
NONPROFIT INFORMATION NETWORKING ASSOCATION	(150,000)	-	-
NONPROFIT COORDINATING COMMITTEE OF NEW YORK INC	(1,500)	-	-
AERIS INSIGHT INC	(15,000)	-	-
RSF Social Finance	(50,000)	-	-

SCHEDULE OF GRANT ACTIVITY - FY 2015

Statement 20

PARENT ENTERPRISE	DISBURSED in 2015	*REFUNDED in 2015*	PAYABLE at FYE 2015
AMERICAN SUSTAINABLE BUSINESS COUNCIL	(15,000)	-	-
BUSINESS FOR SOCIAL RESPONSIBLITY	(2,500)	-	-
GUIDESTAR USA INC	(2,500)	-	-
FOUNDATION CENTER, THE	(6,500)	-	-
ASPEN INSTITUTE INC, THE	(50,000)	-	-
COUNCIL ON FOUNDATIONS	(29,560)	-	-
REINVESTMENT FUND INC, THE (TRF)	(5,000)	-	-
GUIDESTAR USA INC	(10,000)	-	-
Philanthropy New York	(50,000)	-	50,000
The Resurrection Project	(150,000)	-	-
Rockefeller Philanthropy Advisors	(30,000)	-	-
Philanthropy Northwest	(30,000)	-	-
Community Foundation for Greater Buffalo	(10,000)	-	-
Grants - Board-/Staff-Directed - Various	(155,050)	-	6,750
Grants - Community Service - Various	(9,000)	-	-
Grants - Matching - Various	(21,770)	-	2,500
Global Giving	(20,000)		-
Philanthropy New York	(15,100)		-
Philanthropy Northwest	(5,000)		-
US SIF	(3,180)		-
Other	(100,000)		
	(5,839,910)	**-**	**59,250**

F.B. Heron Foundation
2015 Expenditure Responsibility Activity - Statement 21
Data as of 3/31/2016

1. Organization Name and Address:

Cadent Partners
10 Woods End Lane
Weston, CT 06883

2. Grant's Date and Amount

Grant of $10,000 approved on 4/4/2014
No payments made.
Grant was terminated on 4/8/2015.

3. Purpose of the Grant:

To support research and guidance on influence strategy execution.

4. Grant Amount spent:

No amount of the grant was paid or expended.

5. Any part of the Grant diverted:

N/A

6. Date of report(s) received in 2014, if any:

N/A

7. Date and results of any verification of the Grantee's reports undertaken by or at the direction of the grantor foundation:

N/A

F.B. Heron Foundation
2015 Expenditure Responsibility Activity
Data as of 3/31/2016

1. Organization Name and Address:

CoopMetrics, Inc.
50A Walnut Ave.
Andover, MA 01810

2. Grant's Date and Amount

Grant of $150,000 approved on 12/12/2012
Payment of $150,000 made on 12/17/2012

Grant of $150,000 approved on 11/29/2013
Payment of $150,000 made on 12/19/2013

3. Purpose of the Grant:

For Grant Approved 12/12/2012:
Preparedness grant to support Data Visualization development.

For Grant Approved 11/29/2013
To fund a joint practice fellowship designed to accelerate the market up take and adoption of CoopMetrics by in part building out the technology and the capacity to aggregate impact data across impact platforms

4. Grant Amount spent:

The Grants have been expended by the grantee as payments have been made.

5. Any part of the Grant diverted:

No portions of the funds have been diverted from the purpose of the Grant.

6. Date of report(s) received in 2014, if any:

For Grant Approved 12/12/2012:
Year-end financial statements for FY2013 due 4/30/2014 (rec'vd)

For Grant Approved 11/29/2013
Year-end financial statements for FY 2013 due 4/30/2014 (rec'vd)
Year-end financial statements for FY 2014 due 4/30/2015 (rec'vd)

7. Date and results of any verification of the Grantee's reports undertaken by or at the direction of the grantor foundation: N/A

F.B. Heron Foundation
2015 Expenditure Responsibility Activity
Data as of 3/31/2016

1. Organization Name and Address:

Hope Global Consulting
930 Montgomery Street, Suite 300
San Francisco, CA 94133

2. Grant's Date and Amount

Grant of $35,000 approved on 6/6/2013
Payment of $35,000 made on 7/31/2013

Grant of $50,000 approved on 7/30/2014
Payment of $125,000 made on 8/18/2014

3. Purpose of the Grant:

For grant approved 6/6/2013: To provide facilitation services for the Heron Data Summit.

For grant approved 7/30/2014: To support primary research in service of the "Money for Good 2015" Project

4. Grant Amount spent:

The Grant has been expended by the grantee as payments have been made.

5. Any part of the Grant diverted:

No portions of the funds have been diverted from the purpose of the Grant.

6. Date of report(s) received in 2014, if any:

For grant approved 6/6/2013:
Year-end financials for FY2013 due on 4/30/2014 (rec'vd)

For grant approved 7/30/2014:
Year-end financials for FY2014 due on 4/30/2015 (pending)
Year-end financials for FY2015 due on 4/30/2016

7. Date and results of any verification of the Grantee's reports undertaken by or at the direction of the grantor foundation: N/A

F.B. Heron Foundation
2015 Expenditure Responsibility Activity
Data as of 3/31/2016

1. Organization Name and Address:

Imprint Capital Advisors
605 Market Street, Suite 500
San Francisco, CA 94105

2. Grant's Date and Amount

Grant of $30,000 approved on 12/12/2012
Payment of $15,000 made on 12/17/2012
Payment of $15,000 made on 7/31/2013

Grant of $55,000 approved on 11/29/2013.
Payment of $37,000 made on 1/15/2014.
Payment of $18,000 made on 2/13/2014.

3. Purpose of the Grant:

For grant approved 12/12/2012 To provide an initial market map to focus on employment models in the healthcare sector, from small social enterprises to non-profit enterprises to big public companies.

For grant approved 11/29/2013: Imprint Capital Advisors will provide 4-6 short listed deals that will be focused on capital efficient ways to drive growth in high quality jobs through the health sector.

4. Grant Amount spent:

The Grant has been expended by the grantee as payments have been made.

5. Any part of the Grant diverted:

No portions of the funds have been diverted from the purpose of the Grant.

6. Date of report(s) received in 2013, if any:

For grant approved 12/12/2012:
Year-end financials for FY2012 due on 4/30/2013 (rec'vd)
Year-end financials for FY2013 due on 4/30/2014 (rec'vd)

For grant approved 11/29/2013:
Year-end financials for FY2013 due on 4/30/2014 (rec'vd)
Year-end financials for FY2014 due on 4/30/2015 (pending)

7. Date and results of any verification of the Grantee's reports undertaken by or at the direction of the grantor foundation: N/A