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

2015

Open to public inspection

For calendar year 2015, or tax year beginning

, 2015, and ending

Bob & Marie Gallo Foundation
P.O. Box 1130
Modesto, CA 95353

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

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

I Fair market value of all assets at end of year (from Part II, column (c), line 16) **\$ 8,380,652.** J Accounting method: Cash Accrual
 Other (specify) (Part I, column (d) must be on cash basis.)

Panel		Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions.))			
		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
REVENUE	1 Contributions, gifts, grants, etc, received (attach schedule)				
	2 Ck <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	4.	4.		
	4 Dividends and interest from securities	253,816.	253,816.		
	5a Gross rents.				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a	3,609,254			
	7 Capital gain net income (from Part IV, line 2)		439,054.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
See Statement 1		94.	94.		
12 Total. Add lines 1 through 11	692,968.	692,968.	0.		
13 Compensation of officers, directors, trustees, etc.	0.				
14 Other employee salaries and wages	65,886.			65,886.	
15 Pension plans, employee benefits					
16a Legal fees (attach schedule)					
b Accounting fees (attach sch) See St 2	29,128.	14,564.			
c Other prof fees (attach sch) See St 3	6,931.			6,931.	
17 Interest					
18 Taxes (attach schedule)(see instrs) See Stm 4	32,030.	4,818.		5,712.	
19 Depreciation (attach schedule) and depletion	12,008.				
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses (attach schedule)					
See Statement 5		176,195.	31,171.		144,779.
24 Total operating and administrative expenses. Add lines 13 through 23	322,178.	50,553.		223,308.	
25 Contributions, gifts, grants paid	539,350.			539,350.	
26 Total expenses and disbursements. Add lines 24 and 25.	861,528.	50,553.	0.	762,658.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-168,560.				
b Net investment income (if negative, enter -0-)		642,415.			
c Adjusted net income (if negative, enter -0-)			0.		

Part III Balance SheetsAttached schedules and amounts in the description column should be for end-of-year amounts only.
(See instructions.)

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
ASSETS	1 Cash – non-interest-bearing			
	2 Savings and temporary cash investments	198,415.	318,299.	318,300.
	3 Accounts receivable			
	Less: allowance for doubtful accounts			
	4 Pledges receivable			
	Less: allowance for doubtful accounts			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach sch)			
	Less: allowance for doubtful accounts			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments – U.S. and state government obligations (attach schedule)			
	b Investments – corporate stock (attach schedule)	5,092,856.	3,969,843.	4,213,824.
	c Investments – corporate bonds (attach schedule)	1,311,966.	2,170,776.	2,085,309.
	11 Investments – land, buildings, and equipment: basis			
	Less: accumulated depreciation (attach schedule)			
	12 Investments – mortgage loans			
	13 Investments – other (attach schedule)	1,803,721.	1,792,228.	1,707,219.
	14 Land, buildings, and equipment: basis	86,113.		
	Less: accumulated depreciation (attach schedule). <i>See Stmt. 6</i>	74,170.	23,951.	11,943.
	15 Other assets (describe ▶)			56,000.
	16 Total assets (to be completed by all filers – see the instructions. Also, see page 1, item I)	8,430,909.	8,263,089.	8,380,652.
LIABILITIES	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	0.	0.	
	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.		<input type="checkbox"/>	
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
ASSETS	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.		<input checked="" type="checkbox"/>	
	27 Capital stock, trust principal, or current funds	7,909,000.	7,909,000.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	521,909.	354,089.	
	30 Total net assets or fund balances (see instructions)	8,430,909.	8,263,089.	
	31 Total liabilities and net assets/fund balances (see instructions)	8,430,909.	8,263,089.	

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	8,430,909.
2 Enter amount from Part I, line 27a	2	-168,560.
3 Other increases not included in line 2 (itemize) ▶ <i>See Statement 7</i>	3	740.
4 Add lines 1, 2, and 3	4	8,263,089.
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	8,263,089.

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 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1 a <u>Publicly Traded Securities</u>		P	Various	Various
b <u>NTB Class Action Distributions</u>		P	Various	Various
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 3,609,164.		3,170,200.	438,964.	
b 90.			90.	
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) 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			438,964.	
b			90.	
c				
d				
e				
2 Capital gain net income or (net capital loss)	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7		2	439,054.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8			3	0.

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

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

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
If 'Yes,' the foundation 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	565,055.	9,701,621.	0.058243
2013	504,507.	9,156,067.	0.055101
2012	491,953.	8,678,059.	0.056689
2011	266,821.	8,817,049.	0.030262
2010	772,782.	8,129,660.	0.095057

2 Total of line 1, column (d)	2	0.295352
3 Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.059070
4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	9,129,565.
5 Multiply line 4 by line 3	5	539,283.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	6,424.
7 Add lines 5 and 6	7	545,707.
8 Enter qualifying distributions from Part XII, line 4	8	762,658.

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)**

1 a	Exempt operating foundations described in section 4940(d)(2), check here. <input type="checkbox"/> and enter 'N/A' on line 1.	
	Date of ruling or determination letter: _____ (attach copy of letter if necessary – see instrs)	
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here. <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1 6,424.
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 6,424.
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 6,424.
6	Credits/Payments:	
a	2015 estimated tax pmts and 2014 overpayment credited to 2015	6 a 24,433.
b	Exempt foreign organizations – tax withheld at source	6 b
c	Tax paid with application for extension of time to file (Form 8868)	6 c
d	Backup withholding erroneously withheld	6 d
7	Total credits and payments. Add lines 6a through 6d.	7 24,433.
8	Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9 0.
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10 18,009.
11	Enter the amount of line 10 to be Credited to 2016 estimated tax	11 18,009. Refunded

Part VI(A) Statements Regarding Activities

1 a 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?

1 a	Yes	No
1 a	X	

b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?

1 b	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?

1 c	X
-----	---

d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:

1 c	0.
-----	----

(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?

2	X
---	---

If 'Yes,' attach a detailed description of the activities.

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
---	---

4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?

4 a	X
-----	---

b If 'Yes,' has it filed a tax return on **Form 990-T** for this year?

4 b	N/A
-----	-----

5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?

5	X
---	---

If 'Yes,' attach the statement required by General Instruction T.

6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:

6	X
---	---

• By language in the governing instrument, or

6	X
---	---

• 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
---	---

8 a Enter the states to which the foundation reports or with which it is registered (see instructions)

8 a	
-----	--

CA

8 a	
-----	--

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

8 b	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 VI-A Statements Regarding Activities (continued)

11		X
12		X
13	X	
Website address... ► N/A		
14	Telephone no. ► (209) 341-6975	
Located at ► <u>600 Yosemite Blvd.</u> <u>Modesto CA</u> ZIP + 4 ► <u>95354</u>		
15	N/A	► 15 N/A
16	Yes	No
See the instructions for exceptions and filing requirements for FinCEN Form 114. If 'Yes,' enter the name of the foreign country ►		

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

	Yes	No
1 a 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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.)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ► 1 b N/A		
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?		1 c 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If 'Yes,' list the years ► 20 20 20 20		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement – see instructions.)		2 b N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► 20 20 20 20		
3 a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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? (<i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2015.</i>)		3 b N/A
4 a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4 a 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?		4 b X

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

5 a 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)?

5 b N/A

Organizations relying on a current notice regarding disaster assistance check here c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A. Yes No

If 'Yes,' attach the statement required by Regulations section 53.4945-5(d).

6 a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

6 b X

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

If 'Yes' to 6b, file Form 8870.

7 a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

7 b N/A

b If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction?

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 8				
-----		0.	0.	0.

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

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

Total number of other employees paid over \$50,000. 0

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

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
None		

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 <u>Preservation of the wildlife habitat on the San Joaquin Federal Wildlife Reserve in the San Joaquin Valley of California.</u>	223,008.
2 <u>Provide grants to religious, charitable, educational, arts, and community organization to help provide for the betterment of the lives of the residents of Stanislaus County, CA and the surrounding areas.</u>	460,050.
3 <u>Provide for the advancement of the Roman Catholic Church and Catholic education in the United States by making grants to further the schools and programs of the Catholic Church, particularly in Stanislaus County</u>	79,300.
4 <u>-----</u>	

Part X B Summary of Program-Related Investments (see instructions)

All other program-related investments. See instructions.

3

BAA

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 7,122,724.
b	Average of monthly cash balances	1b 229,743.
c	Fair market value of all other assets (see instructions)	1c 1,916,127.
d	Total (add lines 1a, b, and c)	1d 9,268,594.
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 9,268,594.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)....	4 139,029.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5 9,129,565.
6	Minimum investment return. Enter 5% of line 5.	6 456,478.

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.	1 456,478.
2 a	Tax on investment income for 2015 from Part VI, line 5	2a 6,424.
b	Income tax for 2015. (This does not include the tax from Part VI.)	2b
c	Add lines 2a and 2b	2c 6,424.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3 450,054.
4	Recoveries of amounts treated as qualifying distributions....	4
5	Add lines 3 and 4	5 450,054.
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 ..	7 450,054.

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 762,658.
b	Program-related investments — total from Part IX-B.	1b
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes ..	2
3	Amounts set aside for specific charitable projects that satisfy the:	
a	Suitability test (prior IRS approval required)	3a
b	Cash distribution test (attach the required schedule).	3b
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4 ..	4 762,658.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5 6,424.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6 756,234.

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.				450,054.
2 Undistributed income, if any, as of the end of 2015:			0.	
a Enter amount for 2014 only		0.		
b Total for prior years: 20 ____, 20 ____, 20 ____				
c Excess distributions carryover, if any, to 2015:				
a From 2010	33,777.			
b From 2011				
c From 2012.	64,261.			
d From 2013.	55,144.			
e From 2014	85,241.			
f Total of lines 3a through e	238,423.			
4 Qualifying distributions for 2015 from Part XII, line 4: ► \$ 762,658.			0.	
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				450,054.
e Remaining amount distributed out of corpus	312,604.			
5 Excess distributions carryover applied to 2015. (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	551,027.			
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 instructions.				0.
f Undistributed income for 2015. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2016.				0.
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 (see instructions)	33,777.			
9 Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a	517,250.			
10 Analysis of line 9:				
a Excess from 2011				
b Excess from 2012	64,261.			
c Excess from 2013	55,144.			
d Excess from 2014	85,241.			
e Excess from 2015	312,604.			

BAA

Form 990-PF (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 <input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)			
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).)

See Statement 9

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:

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
<i>a Paid during the year</i> Schedule Attached			Schedule Attached	539,350.
Total..			► 3a	539,350.
<i>b Approved for future payment</i>				
Total..			► 3b	

Part XVIIA Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514	(e) Related or exempt function income (See instructions.)
		(a) Business code	(b) Amount	(c) Exclu- sion code	
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	4.
4	Dividends and interest from securities . . .			14	253,816.
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.			14	94.
8	Gain or (loss) from sales of assets other than inventory. . .			1	439,054.
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) . . .				692,968.
13	Total. Add line 12, columns (b), (d), and (e)				692,968.

(See worksheet in line 13 instructions to verify calculations.)

Part VI B Relationship of Activities to the Accomplishment of Exempt Purposes

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

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) 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:

b Other transactions.

- (1) Sales of assets to a noncharitable exempt organization
- (2) Purchases of assets from a noncharitable exempt organization
- (3) Rental of facilities, equipment, or other assets
- (4) Reimbursement arrangements
- (5) Loans or loan guarantees
- (6) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

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

(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		

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

**Sign
Here**



Signature of officer or trustee

5/9/16
Date

Chairman

May the IRS discuss this return with the preparer shown below (see instructions)?

Signature of preparer or trustee		Date	File No.	△ Yes	No
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Margaret Armstrong, CPA	Margaret Armstrong, CPA	5/9/16	P00022850	
	Firm's name ►	TAX AND FINANCIAL SERVICES			Firm's EIN ► 94-1009696
	Firm's address ►	PO BOX 1130 MODESTO, CA 95353			Phone no. 209-341-3395

BAA

Bob & Marie Gallo Foundation

91-2048972

Statement 1
Form 990-PF, Part I, Line 11
Other Income

	(a) Revenue per Books	(b) Net Investment Income	(c) Adjusted Net Income
Other Investment Income	\$ 94.	\$ 94.	\$ 94.
Total	<u>\$ 94.</u>	<u>\$ 94.</u>	<u>\$ 0.</u>

Statement 2
Form 990-PF, Part I, Line 16b
Accounting Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Accounting Fees	\$ 29,128.	\$ 14,564.	\$ 0.	\$ 0.
Total	<u>\$ 29,128.</u>	<u>\$ 14,564.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

Statement 3
Form 990-PF, Part I, Line 16c
Other Professional Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Wildlife & habitat consulting	\$ 6,931.	\$ 0.	\$ 0.	\$ 6,931.
Total	<u>\$ 6,931.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 6,931.</u>

Statement 4
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Federal excise tax	\$ 21,500.	\$ 4,818.	\$ 4,818.	\$ 5,712.
Foreign taxes on investment income				
Payroll taxes	\$ 5,712.	\$ 0.	\$ 0.	\$ 5,712.
Total	<u>\$ 32,030.</u>	<u>\$ 4,818.</u>	<u>\$ 0.</u>	<u>\$ 5,712.</u>

Statement 5
Form 990-PF, Part I, Line 23
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Filing & registration fees	\$ 245.			
Habitat restoration labor	22,093.			\$ 22,093.
Habitat restoration seeds/plants..	5,168.			5,168.
Habitat restoration supplies	36,178.			36,178.
Insurance.	2,165.			2,165.
Investment fees	31,171.	\$ 31,171.		
IRA - Employer Portion	1,926.			1,926.
Medical/Dental/Life/Disability	32,124.			32,124.
Office/Clerical Expense	598.			598.
Repair & Maintenance	2,567.			2,567.
Utilities	34,374.			34,374.
Workers comp insurance.	7,586.			7,586.
Total	<u>\$ 176,195.</u>	<u>\$ 31,171.</u>	<u>\$ 0.</u>	<u>\$ 144,779.</u>

Statement 6
Form 990-PF, Part II, Line 14
Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value	Fair Market Value
Auto./Transportation Equip.	\$ 6,500.	\$ 6,500.	\$ 0.	\$ 3,000.
Machinery and Equipment	73,100.	63,276.	9,824.	50,000.
Improvements	6,513.	4,394.	2,119.	3,000.
Total	<u>\$ 86,113.</u>	<u>\$ 74,170.</u>	<u>\$ 11,943.</u>	<u>\$ 56,000.</u>

Statement 7
Form 990-PF, Part III, Line 3
Other Increases

Prior Period Adjustments	\$ 740.
Total	<u>\$ 740.</u>

Statement 8
Form 990-PF, Part VIII, Line 1
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compens- sation	Contri- bution to EBP & DC	Expense Account/ Other
Robert J. Gallo P.O. Box 1130 Modesto, CA 95353	CEO 2.00	\$ 0.	\$ 0.	\$ 0.

Statement 8 (continued)
Form 990-PF, Part VIII, Line 1
List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compensation</u>	<u>Contri- bution to EBP & DC</u>	<u>Expense Account/ Other</u>
Marie D. Gallo P.O. Box 1130 Modesto, CA 95353	Director 0	\$ 0.	\$ 0.	\$ 0.
Matthew I. Friedrich P.O. Box 1130 Modesto, CA 95353	Secretary 2.00	0.	0.	0.
Julie G. Vander Wall P.O. Box 1130 Modesto, CA 95353	Director 0	0.	0.	0.
John R. Gallo P.O. Box 1130 Modesto, CA 95353	CFO 0	0.	0.	0.
Matthew J. Gallo P.O. Box 1130 Modesto, CA 95353	Director 0	0.	0.	0.
Thomas J. Gallo P.O. Box 1130 Modesto, CA 95353	Director 0	0.	0.	0.
Gina M. Gallo P.O. Box 1130 Modesto, CA 95353	Director 0	0.	0.	0.
Amy M. Gallo-Ballatore P.O. Box 1130 Modesto, CA 95353	Director 0	0.	0.	0.
Mary E. Gallo P.O. Box 1130 Modesto, CA 95353	Director 0	0.	0.	0.
Total		\$ 0.	\$ 0.	\$ 0.

Statement 9
Form 990-PF, Part XV, Line 1a
Foundation Managers - 2% or More Contributors

Robert J. Gallo
Marie D. Gallo

BOB & MARIE GALLO FOUNDATION
91-2048972
DECEMBER 31, 2015
FORM 990, PART II, LINE 10(b), INVESTMENTS - CORPORATE STOCK

SHARES	EQUITY SECURITIES	COST	MARKET VALUE
85,823.51	MFO DFA INVT DIMENSIONS GROUP INC US CORE EQUITY 1 PORT	1,225,158	1,473,590
4,294.00	MFC ISHARES TR GLOBAL INFRASTRUCTURE ETFINDEX FD	184,012	154,369
11,776.53	MFO DFA US L/C VALUE PORTFOLIO (DFLVX)	331,644	362,953
8,962.91	MFO DFA US SMALL CAP PORTFOLIO	231,487	254,188
72,741.54	MFB NORTHERN INTL EQUITY INDEX FUND	689,770	784,154
29,093.69	MFO DFA INTL SMALL CO PORTFOLIO FUND (DFISX)	515,163	500,702
17,568.68	MFO DIMENSIONAL FUND ADVISORS INTL VALUE PORTFOLIO	312,377	281,626
25,522.99	MFO DFA INVT DIMENSIONS GROUP INC EMERGING MKTS CORE	480,232	402,242
TOTAL EQUITY SECURITIES		<u>3,969,843</u>	<u>4,213,824</u>

BOB & MARIE GALLO FOUNDATION
91-2048972
December 31 2015

FORM 990-PF, PART II, LINE 10(c), INVESTMENTS - CORPORATE BONDS

CORPORATE BONDS/ OTHER BONDS	Cost	Market Value
FIXED INCOME SECURITIES		
MFB NORTHERN HIGH YIELD FIXED INCOME FUND	300,259	293,756
MFC ISHARES INTERMEDIATE CREDIT BOND ETF	629,392	614,607
MFO BLACKROCK FDS HIGH YIELD BD PORTFOLIO INSTL CL	325,404	290,223
MFO COUPLELINE CORE FIXED INCOME FUND I	728,923	704,406
MFC FLEXSHARES TR IBOXX 3 YR TARGET DURATION TIPS INDEX	186,798	182,317
TOTAL FIXED INCOME SECURITIES	2,170,776	2,085,309

BOB & MARIE GALLO FOUNDATION
91-2048972
December 31 2015

FORM 990-PF PART II, LINE 13, OTHER INVESTMENTS

OTHER INVESTMENTS	Cost	Market Value
HEDGE FUNDS		
AURORA OFFSHORE LTD II CLASS A SERIES	554,370	627,911
SYSTEMATIC ALTERNATIVES FUND LLC	400,000	400,002
TOTAL HEDGE FUNDS	954,370	1,027,914
REAL ESTATE		
MFO DFA INVT DIMENSIONS GROUP INC INTL REAL ESTATE SECS	177,127	168,090
MFO DFA INVT DIMENSIONS GROUP INC REAL ESTATE SECS	152,400	175,908
TOTAL REAL ESTATE	329,527	343,998
COMMODITIES		
MFC FLEXSHARES TR MORNINGSTAR GLOBAL UPSTREAM NAT RES	508,331	335,308
TOTAL COMMODITIES	508,331	335,308
TOTAL OTHER INVESTMENTS	1,792,228	1,707,219

BOB MARIE GALLO FOUNDATION
POST OFFICE BOX 1130, MODESTO, CA 95353
FISCAL YEAR ENDING- DECEMBER 31, 2015
TID: 91-2048972
FORM 990-PF, PART XV, LINE 3(A)
GRANTS AND CONTRIBUTIONS PAID DURING THE YEARS

*All contributions made during the year were for general use in carrying out charitable, religious and educational activities.		
RECIPIENT	ADDRESS	AMOUNT
American Cancer Society	1101 Sylvan Ave. Suite C-105 Modesto, CA 95350	2,000
American Heart Association (Stockton/Modesto Division)	2007 "O" Street, Sacramento, CA 95811	500
American Red Cross	2025 "E" Street, Washington, DC 20006	2,000
Boys & Girls Clubs of Stanislaus County	422 McHenry Ave. Modesto, CA 95354	2,500
Boys & Girls Club of Napa Valley	1515 Pueblo Ave. Napa, CA 94558	2,500
Catholic Social Service Guild	939 John Roos Ave. Ripon, CA 95366	2,000
Central Valley Sons of Italy	Post Office Box 579111 Modesto, CA 95357-9111	500
Community Hospice, Inc.	4368 Spyres Way, Modesto, CA 95356	2,000
Diabetic Youth Foundation	5167 Clayton Road, Suite F, Concord, CA 94521	1,000
Diocese of Santa Rosa - Catholic Charities	Post Office Box 4900, Santa Rosa, CA 95402	5,000
Gallo Center for the Arts	1000 I Street, Modesto, CA 95354	1,700
Glide Foundation	330 Ellis Street San Francisco, CA 94102	5,000
Great Valley Museum Foundation	2201 Blue Gum Ave Modesto, CA 95358	500
Healdsburg Shared Ministries	1505 Healdsburg Ave. Healdsburg, CA 95445	5,000
HelpHopeLive	100 Matsonford Road Suite #100 Radnor, PA 19087	500
Howard Training Center	1424 Stonum Road, Modesto, CA 95351	500
JDRF International	950 Fulton Avenue, Suite 150, Sacramento, CA 95825	1,000
Little Sisters of the Poor	300 Lake Street San Francisco, CA 94118	1,000
McHenry Mansion Foundation	924 15th Street Modesto, CA 95354	2,000
McHenry Museum & Historical Society	1402 "I" Street Modesto, CA 95354	1,000
Modesto Magic Basketball Association	Post Office Box 577492, Modesto, CA 95357	500
Modesto Symphony Orchestra	911 - 13th Street, Modesto, CA 95354	5,000
Modesto Union Gospel Mission	Post Office Box 1203, Modesto, CA 95353	2,500
Napa Valley Community Foundation	3299 Claremont Way, Suite 2, Napa, CA 94558	25,000
Redwood Empire Food Bank	3990 Brickway Boulevard, Santa Rosa, CA 95403	5,000
Redwood Gospel Mission	Post Office Box 493, Santa Rosa, CA 95402	5,000
Society for Disabilities	1129 Eighth Street, Suite 101, Modesto, CA 95354	10,000
Society of St. Vincent de Paul of Sonoma County	Post Office Box 1095, Rohnert Park, CA 94927	5,000
St. Helena Hospital Foundation	10 Woodland Road, Saint Helena, CA 94574	5,000
State Theatre of Modesto, Inc	1307 "J" Street Modesto, CA 95354	5,000
Sutter Care at Home	2855 Telegraph Ave. Berkeley, CA 94705	250
The Salvation Army	Post Office Box 1663 Modesto, CA 95353	2,500
The Women's Auxiliary	Post Office Box 1791 Modesto, CA 95353	1,000
The Trumpeter Swan Society	12615 County Road 9, Plymouth, MN 55441	1,000
UCSF Foundation	220 Montgomery Street, 5th Floor, San Francisco, CA 94104	25,000
Valley Childrens Hospital Foundation	9300 Valley Children's Place Madera, CA 93636	300
Yosemite Conservancy		100
TOTAL CHARITABLE CONTRIBUTIONS		136,350

BOB MARIE GALLO FOUNDATION
 POST OFFICE BOX 1130, MODESTO, CA 95353
 FISCAL YEAR ENDING. DECEMBER 31, 2015

TID: 91-2048972

FORM 990-PF, PART XV, LINE 3(A)

GRANTS AND CONTRIBUTIONS PAID DURING THE YEARS

RELIGIOUS CONTRIBUTIONS		
Bishop's Ministry Appeal (Diocese of Stockton)	212 North San Joaquin Street, Stockton, CA 95202	1,500
Eternal World Television Network, Inc.	5817 Old Leeds Road Irondale, AL 35210	5,000
Missionaries of the Holy Spirit	c/o St. Matthew Catholic Church, 475 S.E. Third Avenue, Hillsboro, OR 97123	1,000
Sisters of Notre Dame de Namur, California Province	1520 Ralston Avenue, Belmont, CA 94002	1,000
Sisters of the Cross of the Sacred Heart of Jesus	1320 Maze Boulevard, Modesto, CA 95351	13,300
St Joan of the Arc Church	Post Office Box 2009 Yountville, CA 94599	1,000
St. John the Baptist Catholic Church	208 Matheson Street, Healdsburg, CA 05448	20,000
St Joseph Catholic Church	1813 Oakdale Road, Modesto, CA 95355	5,000
St Stanislaus Catholic Church	709 J Street, Modesto, CA 95354	31,500
TOTAL RELIGIOUS CONTRIBUTIONS		79,300
EDUCATIONAL CONTRIBUTIONS		
California Polytechnic State University	San Luis Obispo, CA 93407	21,000
Cardinal Newman High School	50 Ursuline Road, Santa Rosa, CA 95403	20,000
Central Catholic High School	200 South Carpenter Road, Modesto, CA 95351	2,500
Cornell University		2,500
De Marillac Academy of San Francisco	175 Golden Gate Avenue, San Francisco, CA 94102	1,000
Father John C. Silva Education		8,500
Modesto High School	18 H Street, Modesto, CA 95354	500
Modesto Junior College Foundation	435 College Avenue, Modesto, CA 95350	4,000
Notre Dame de Namur University	1500 Ralston Avenue, Belmont, CA 94002	200,000
Santa Clara University	500 El Camino Real, Santa Clara, CA 95053	10,000
St. John the Baptist Catholic School		10,000
St. Stanislaus Catholic School	1416 Maze Boulevard, Modesto, CA 95351	13,200
UAMS Myeloma Institute		15,000
University of Notre Dame	1100 Grace Hall, Notre Dame, IN 46556	500
University of San Francisco	2130 Fulton Street, San Francisco, CA 94117	5,000
Washington University in Saint Louis	One Brookings Drive, Campus Box 1210, Saint Louis, MO 63130	10,000
TOTAL EDUCATIONAL CONTRIBUTIONS		323,700
2014 TOTAL GRANTS AND CONTRIBUTIONS		539,350