

EXTENDED TO NOVEMBER 15, 2017
Return of Private Foundation

Form 990-PF

Department of the Treasury
Internal Revenue Service

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

2016

Open to Public Inspection

For calendar year 2016 or tax year beginning

, and ending

Name of foundation BERT L & N KUGGIE VALLEE FOUNDATION, INC		A Employer identification number 04-3333757
Number and street (or P.O. box number if mail is not delivered to street address) 745 BOYLSTON STREET, 7TH FLOOR	Room/suite	B Telephone number 617-859-6600
City or town, state or province, country, and ZIP or foreign postal code BOSTON, MA 02116		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 48,573,809. (Part I, column (d) must be on cash basis.)	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

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)
1 Contributions, gifts, grants, etc., received		25,040.			
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments		3,837.	3,837.		STATEMENT 1
4 Dividends and interest from securities		973,769.	973,769.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		491,262.			
b Gross sales price for all assets on line 6a	491,262.				
7 Capital gain net income (from Part IV, line 2)			491,262.		
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		179.	179.	0.	STATEMENT 3
12 Total. Add lines 1 through 11		1,494,087.	1,469,047.	0.	
13 Compensation of officers, directors, trustees, etc		230,350.	0.	0.	230,350.
14 Other employee salaries and wages					
15 Pension plans, employee benefits		13,794.	0.	0.	13,794.
16a Legal fees STMT 4		50,189.	0.	0.	50,189.
b Accounting fees STMT 5		26,949.	0.	0.	26,949.
c Other professional fees STMT 6		90,653.	83,653.	0.	7,000.
17 Interest					
18 Taxes STMT 7		60,359.	0.	0.	60,359.
19 Depreciation and depletion					
20 Occupancy		33,410.	0.	0.	33,410.
21 Travel, conferences, and meetings		382,079.	0.	0.	382,079.
22 Printing and publications					
23 Other expenses STMT 8		131,365.	0.	0.	131,365.
24 Total operating and administrative expenses. Add lines 13 through 23		1,019,148.	83,653.	0.	935,495.
25 Contributions, gifts, grants paid		1,155,000.			1,155,000.
26 Total expenses and disbursements. Add lines 24 and 25		2,174,148.	83,653.	0.	2,090,495.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		-680,061.			
b Net investment income (if negative, enter -0-)			1,385,394.		
c Adjusted net income (if negative, enter -0-)				0.	

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	625,362.	1,484,641.	1,484,641.		
	2 Savings and temporary cash investments					
	3 Accounts receivable ▶					
	Less: allowance for doubtful accounts ▶					
	4 Pledges receivable ▶					
	Less: allowance for doubtful accounts ▶					
	5 Grants receivable					
	6 Receivables due from officers, directors, trustees, and other disqualified persons					
	7 Other notes and loans receivable ▶					
	Less: allowance for doubtful accounts ▶					
	8 Inventories for sale or use					
	9 Prepaid expenses and deferred charges		0.	0.		
	10a Investments - U.S. and state government obligations					
	b Investments - corporate stock					
	c Investments - corporate bonds					
	11 Investments - land, buildings, and equipment: basis ▶					
Less: accumulated depreciation ▶						
12 Investments - mortgage loans						
13 Investments - other						
14 Land, buildings, and equipment: basis ▶						
Less: accumulated depreciation ▶						
15 Other assets (describe ▶ STATEMENT 9)	45,842,560.	44,303,220.	47,089,168.			
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	46,467,922.	45,787,861.	48,573,809.			
Liabilities	17 Accounts payable and accrued expenses					
	18 Grants payable					
	19 Deferred revenue					
	20 Loans from officers, directors, trustees, and other disqualified persons					
	21 Mortgages and other notes payable					
	22 Other liabilities (describe ▶)					
	23 Total liabilities (add lines 17 through 22)	0.	0.			
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>					
	and complete lines 24 through 26 and lines 30 and 31.					
	24 Unrestricted					
	25 Temporarily restricted					
	26 Permanently restricted					
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>					
	and complete lines 27 through 31.					
	27 Capital stock, trust principal, or current funds	21,082,759.	21,082,759.			
28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.				
29 Retained earnings, accumulated income, endowment, or other funds	25,385,163.	24,705,102.				
30 Total net assets or fund balances	46,467,922.	45,787,861.				
31 Total liabilities and net assets/fund balances	46,467,922.	45,787,861.				

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	46,467,922.
2 Enter amount from Part I, line 27a	2	-680,061.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	45,787,861.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	45,787,861.

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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 CAPITAL GAIN DISTRIBUTIONS	P		12/31/16
b LONG TERM CAPITAL LOSSES - SCHWAB	P		12/31/16
c LONG TERM CAPITAL GAINS - WELLINGTON	P		12/31/16
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 689,861.			689,861.
b -378,907.			-378,907.
c 180,308.			180,308.
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			689,861.
b			-378,907.
c			180,308.
d			
e			

2 Capital gain net income or (net capital loss)	<div> <div>If gain, also enter in Part I, line 7</div> <div>If (loss), enter -0- in Part I, line 7</div> </div>	2	491,262.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):	<div> <div>If gain, also enter in Part I, line 8, column (c).</div> <div>If (loss), enter -0- in Part I, line 8</div> </div>	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))
2015			
2014			
2013			
2012			
2011			

2 Total of line 1, column (d)	2
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
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4
5 Multiply line 4 by line 3	5
6 Enter 1% of net investment income (1% of Part I, line 27b)	6
7 Add lines 5 and 6	7
8 Enter qualifying distributions from Part XII, line 4	8

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 <input type="checkbox"/> 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 <input type="checkbox"/> and enter 1% of Part I, line 27b		1	27,708.
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	27,708.
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	27,708.
6 Credits/Payments:			
a 2016 estimated tax payments and 2015 overpayment credited to 2016	6a	37,800.	
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	37,800.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	258.	
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	9,834.	
11 Enter the amount of line 10 to be: Credited to 2017 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	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?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
c Did the foundation file Form 1120-POL for this year?		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.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <u>MA</u>		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

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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)		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)		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	X	

Website address ► **THEVALLEEFOUNDATION.ORG**

14 The books are in care of ► **ALEXA MASON** Telephone no. ► **617-859-6600**
 Located at ► **745 BOYLSTON STREET, 7TH FLOOR, BOSTON, MA** ZIP+4 ► **02116**

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**

16 At any time during calendar year 2016, 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** **Yes** **No** **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?	<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 checked="" type="checkbox"/> Yes <input 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		X
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 2016?		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 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? If "Yes," list the years ►	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
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	
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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If "Yes," did it have excess business holdings in 2016 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 2016.)	N/A	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		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 2016?		X

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

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☒ Yes ☐ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions)

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

Organizations relying on a current notice regarding disaster assistance check here

☒

5b

X

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).

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?

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

6b

X

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 10		230,350.	13,794.	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
NONE				

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

0

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Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
STRATEGY IMPLEMENTED INC. 27 GRAY STREET, BOSTON, MA 02116	PROFESSIONAL SERVICES	50,804.
RACKEMANN, SAWYER & BREWSTER PC 160 FEDERAL STREET, BOSTON, MA 02109	LEGAL FEES	50,189.

Total number of others receiving over \$50,000 for professional services

0

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 VALLEE SCHOLARS PROGRAM - SEE ATTACHED DETAILED EXPLANATION	
	1,000,000.
2 VALLEE VISITING PROFESSORSHIPS - SEE ATTACHED DETAILED EXPLANATION	
	130,000.
3 BERT & NATALIE VALLEE AWARD IN BIOMEDICAL SCIENCE - SEE ATTACHED DETAILED EXPLANATION	
	10,000.
4 KUGGIE VALLEE DISTINGUISHED LECTURES PROGRAM	
	15,000.

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	0.

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Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	45,912,727.
b	Average of monthly cash balances	1b	699,186.
c	Fair market value of all other assets	1c	0.
d	Total (add lines 1a, b, and c)	1d	46,611,913.
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	46,611,913.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	699,179.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	45,912,734.
6	Minimum investment return. Enter 5% of line 5	6	2,295,637.

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	2,295,637.
2a	Tax on investment income for 2016 from Part VI, line 5	2a	27,708.
b	Income tax for 2016. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	27,708.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	2,267,929.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	2,267,929.
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	2,267,929.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	2,090,495.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	2,090,495.
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	2,090,495.

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

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Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7				2,267,929.
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2016:				
a From 2011				
b From 2012				
c From 2013				
d From 2014				
e From 2015				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2016 from Part XII, line 4: ▶ \$ 2,090,495.				
a Applied to 2015, 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 2016 distributable amount				2,090,495.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2016 (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	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 2015. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2016. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2017				177,434.
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 2011 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2012				
b Excess from 2013				
c Excess from 2014				
d Excess from 2015				
e Excess from 2016				

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	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
Name and address (home or business)				
a Paid during the year				
PROF. YIYANG GONG, DUKE UNIVERSITY DUKE UNIVERSITY DURHAM, NC 27708	NONE	NC	VISITING SCHOLARS PROGRAM	250,000.
PROF. ANDREW KRUSE HARVARD UNIVERSITY CAMBRIDGE, MA 02138	NONE	NC	VISITING SCHOLARS PROGRAM	250,000.
PROF. ALEXEI KORENNYKH PRINCETON UNIVERSITY PRINCETON, NJ 08544	NONE	NC	VISITING SCHOLARS PROGRAM	250,000.
PROF. MELISSA HARRISON UNIVERSITY OF WISCONSIN MADISON, WI 53706	NONE	NC	VISITING SCHOLARS PROGRAM	250,000.
DAVID EISENBERG 611 CHARLES YOUNG DRIVE EAST LOS ANGELES, CA 90095-1569	NONE	NC	VISITING PROFESSORSHIP PROGRAM	17,500.
Total	SEE CONTINUATION SHEET(S)			1,155,000.
b Approved for future payment				
NONE				
Total				0.


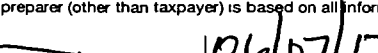
Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

- | | | 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. | | |

[illegible]

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

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

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.				May the IRS discuss this return with the preparer shown below (see instr 1)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	Signature of officer or trustee 		Date 06/07/17		Title EXECUTIVE DIRECTOR	
Paid Preparer Use Only	Print/Type preparer's name		Preparer's signature		Date	
	BARRY CHAIT				05/31/17	
	Check <input type="checkbox"/> if self-employed PTIN		P01452996			
Firm's name ▶ MARCUM LLP					Firm's EIN ▶ 11-1986323	
Firm's address ▶ 53 STATE STREET, FLOOR 17 BOSTON, MA 02109					Phone no. (617) 807-5000	

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

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
ELAINE FUCHS 1230 YORK AVENUE, BOX 300 NEW YORK, NY 10065-6399	NONE	NC	VISITING PROFESSORSHIP PROGRAM	7,500.
ARIA HELENIUS INSTITUTE OF BIOCHEMISTRY ZURICH, SWITZERLAND, SWITZERLAND	NONE	NC	VISITING PROFESSORSHIP PROGRAM	17,500.
TYLER JACKS 77 MASSACHUSETTS AVE, 76-453 CAMBRIDGE, MA 02139	NONE	NC	VISITING PROFESSORSHIP PROGRAM	17,500.
CAROL ROBINSON UNIVERSITY OF OXFORD OXFORD, UNITED KINGDOM, UNITED KINGDOM	NONE	NC	VISITING PROFESSORSHIP PROGRAM	17,500.
ANDREAS STRASSER WALTER & ELIZA HALL INSTITUTE PARKVILLE, AUSTRALIA, AUSTRALIA	NONE	NC	VISITING PROFESSORSHIP PROGRAM	17,500.
KAREN VOUSDEN CANCER RESEARCH UK GLASGOW, UNITED KINGDOM, UNITED KINGDOM	NONE	NC	VISITING PROFESSORSHIP PROGRAM	17,500.
PETER WALTER N312 GENENTECH HALL, BOX 2200, 600-16TH STREET SAN FRANCISCO, CA 94158-2517	NONE	NC	VISITING PROFESSORSHIP PROGRAM	17,500.
AZIZ SANCAR 11200 ROCKVILLE PIKE, SUITE 302 ROCKVILLE, MD 20852	NONE	NC	BERT 7 NATALIE VALLEE AWARD IN BIOMEDICAL SCIENCE	10,000.
BONNIE BASSLER PRINCETON UNIVERSITY PRINCETON, NJ 08544	NONE	NC	KUGGIE VALLE DISTINGUISHED LECTURES PROGRAM	15,000.
Total from continuation sheets				137,500.

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

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
INTEREST	3,837.	3,837.	3,837.
TOTAL TO PART I, LINE 3	3,837.	3,837.	3,837.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
SCHWAB	635,997.	0.	635,997.	635,997.	635,997.
WELLINGTON	337,772.	0.	337,772.	337,772.	337,772.
TO PART I, LINE 4	973,769.	0.	973,769.	973,769.	973,769.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
OTHER INCOME	179.	179.	0.
TOTAL TO FORM 990-PF, PART I, LINE 11	179.	179.	0.

FORM 990-PF LEGAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	50,189.	0.	0.	50,189.
TO FM 990-PF, PG 1, LN 16A	50,189.	0.	0.	50,189.

FORM 990-PF	ACCOUNTING FEES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
ACCOUNTING SERVICES	26,949.	0.	0.	26,949.	
TO FORM 990-PF, PG 1, LN 16B	26,949.	0.	0.	26,949.	

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT	6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
INVESTMENT FEES	83,653.	83,653.	0.	0.	
COMMITTEE HONORARIUM	7,000.	0.	0.	7,000.	
TO FORM 990-PF, PG 1, LN 16C	90,653.	83,653.	0.	7,000.	

FORM 990-PF	TAXES			STATEMENT	7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
PAYROLL TAX	11,270.	0.	0.	11,270.	
STATE FILING FEES	835.	0.	0.	835.	
FEDERAL TAXES	48,254.	0.	0.	48,254.	
TO FORM 990-PF, PG 1, LN 18	60,359.	0.	0.	60,359.	

FORM 990-PF	OTHER EXPENSES			STATEMENT	8
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
BOARD MEETINGS	29,078.	0.	0.	29,078.	
SERVICES	57,407.	0.	0.	57,407.	
PAYROLL	1,294.	0.	0.	1,294.	
TELEPHONE, TELECOMMUNICATIONS	1,186.	0.	0.	1,186.	
INSURANCE	8,955.	0.	0.	8,955.	
GENERAL EXPENSES	11,401.	0.	0.	11,401.	
PROFESSIONAL FEES	22,044.	0.	0.	22,044.	
TO FORM 990-PF, PG 1, LN 23	131,365.	0.	0.	131,365.	

FORM 990-PF	OTHER ASSETS		STATEMENT	9
DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE	
CHARLES SCHWAB MUTUAL FUNDS	31,592,455.	31,033,036.	32,312,294.	
WELLINGTON CTF	14,250,105.	13,270,184.	14,776,874.	
TO FORM 990-PF, PART II, LINE 15	45,842,560.	44,303,220.	47,089,168.	

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS STATEMENT 10
 TRUSTEES AND FOUNDATION MANAGERS

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
S. JAMES ADELSTEIN, MD 180 LONGWOOD AVE, RM 207-A BOSTON, MA 02115	DIRECTOR/PAST PRESIDENT 5.00	8,000.	0.	0.
PETER CAMPOT 45 RIVER ROAD TOPSFIELD, MA 01983-2108	DIRECTOR/TREASURER 5.00	8,000.	0.	0.
LEWIS C CANTLEY CANCER CENTER, WEILL CORNELL MEDICAL COLLEGE, 1300 YORK AVE, F-905B NEW YORK, NY 10065	DIRECTOR 5.00	8,000.	0.	0.
EDMOND H FISCHER (RETIRED IN 2016) 5440 N.E. WINDEMERE ROAD SEATTLE, WA 98105	DIRECTOR 5.00	4,000.	0.	0.
LOUISE GROSS 420 EAST 79TH STREET, APT. 5A NEW YORK, NY 10021	DIRECTOR 5.00	8,000.	0.	0.
JESPER Z HAEGGSTROM, MD, PHD DEPARTMENT OF PHYSIOLOGICAL CHEMISTRY II, KAROLINSKA INSTITUTET STOCKHOLM, SWEDEN S-171 77	DIRECTOR/SECRETARY 5.00	4,000.	0.	0.
GORDON G HAMMES 6545 VALEN WAY, F301 NAPLES, FL 34108	DIRECTOR/VICE PRESIDENT 5.00	8,000.	0.	0.
PETER HOWLEY, MD HARVARD MEDICAL SCHOOL, NEW RESEARCH BUILDING, ROOM 950A, 77 AVENUE LOUIS BOSTON, MA 02115	DIRECTOR/PRESIDENT 5.00	8,000.	0.	0.
DAVID OGDEN, AB,AMP (RETIRED IN 2016) 32 BELTED KINGFISHER FERNANDINA BEACH, FL 32034-6401	DIRECTOR 5.00	0.	0.	0.

SHEILA OHLUND SEESTRASSE 662 MEILEN, SWITZERLAND 8706	DIRECTOR 5.00	8,000.	0.	0.
ERNST-LUDWIG WINNACKER 14 RUE STOEBER STRASBOURG, FRANCE 6700	DIRECTOR 5.00	4,000.	0.	0.
ALEXA MASON BERT L. & N. KUGGIE VALLEE FOUNDATION INC; 745 BOYLSTON STREET, 7TH FLOOR BOSTON, MA 02116	EXECUTIVE DIRECTOR 35.00	154,350.	13,794.	0.
MICHAEL F. O'CONNELL, JD C/O RACKEMANN, SAWYER & BREWSTER, 160 FEDERAL STREET, 15TH FL. BOSTON, MA 02110-1700	ASSISTANT SECRETARY 5.00	0.	0.	0.
ELIZABETH HUIDEKOPER, MBA 7 TERN LANE SO. DARTMOUTH, MA 02748	DIRECTOR 5.00	8,000.	0.	0.
CAROL ROBINSON (APPOINTED IN 2016) 2 MILL FARM BARNS MILL STREET OXFORD, UNITED KINGDOM OX5 2SX	DIRECTOR 5.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		230,350.	13,794.	0.

BERT L. AND N. KUGGIE VALLEE FOUNDATION, INC.

EIN: 04-3333757

FORM 990-PF

DECEMBER 31, 2016

MINIMUM INVESTMENT RETURN

Securities and ETFs		Charles Schwab	Wellington
01/01/16	\$	45,002,430.95	\$ 29,972,701.69
01/31/16	\$	42,888,996.80	\$ 28,796,429.80
02/29/16	\$	42,815,083.60	\$ 28,767,336.02
03/31/16	\$	45,711,980.03	\$ 30,883,272.42
04/30/16	\$	45,808,778.56	\$ 30,888,170.13
05/31/16	\$	46,111,194.07	\$ 31,086,887.96
06/30/16	\$	46,291,861.11	\$ 31,206,683.84
07/31/16	\$	48,162,542.29	\$ 31,993,879.31
08/31/16	\$	46,798,806.43	\$ 32,128,123.56
09/30/16	\$	46,925,755.85	\$ 32,243,031.74
10/31/16	\$	46,004,327.49	\$ 31,656,258.63
11/30/16	\$	47,254,529.02	\$ 32,721,393.10
12/31/16	\$	47,089,168.11	\$ 32,312,293.82
Average monthly fair	\$	45,912,727.25	
market value of			
securities			

Cash		Charles Schwab	Citizens Checking	Citizens MM Savings
01/01/16	\$	627,640.57	\$ 75,479.18	\$ 12,833.61
01/31/16	\$	536,826.24	\$ 76,110.14	\$ 21,080.35
02/28/16	\$	492,036.90	\$ 76,111.40	\$ 11,044.27
03/31/16	\$	418,833.97	\$ 76,112.00	\$ 67,639.48
04/30/16	\$	715,803.07	\$ 477,210.03	\$ 63,363.98
05/31/16	\$	629,944.03	\$ 7,210.87	\$ 17,190.12
06/30/16	\$	779,482.93	\$ 60,794.61	\$ 212,830.40
07/31/16	\$	881,428.76	\$ 729.23	\$ 59,471.36
08/31/16	\$	674,843.24	\$ 729.62	\$ 28,021.62
09/30/16	\$	692,541.12	\$ 48,664.20	\$ 11,532.97
10/31/16	\$	648,744.94	\$ 58,404.02	\$ 47,625.60
11/30/16	\$	506,656.20	\$ 88,383.19	\$ 106,095.56
12/31/16	\$	1,484,641.18	\$ 1,159,482.18	\$ 32,783.00
Average of monthly	\$	699,186.40		
cash balances				

BERT L. AND N. KUGGIE VALLEE FOUNDATION, INC.

EIN: 04-3333757

FORM 990-PF

FYE: December 31, 2016

PART IX-A: SUMMARY OF DIRECT CHARITABLE ACTIVITIES

The organization directly serves the advancement of scientific education by (i) organizing and arranging short-term visiting professorships of distinguished scientists at universities and other research institutions in the United States and abroad, (ii) underwriting research by distinguished scientists and other scholars on biomedical research projects of specific interest to the organization, (iii) organizing and conducting seminars and symposia, and (iv) recognizing outstanding accomplishments in basic biomedical research .

The purpose of the organization's programs for – Vallee Visiting Professors (A), Vallee Scholars (B), Vallee Lindau Fellows (C), Vallee Symposia (D), the Bert and Natalie Vallee Awards, (E), and the Kuggie Vallee Distinguished Lectures (F) - is to facilitate interactions among productive scientists, to expose dedicated students and researchers to scientists who are making outstanding contributions towards the understanding of scientific principles as they relate to human biology, and to support young independent investigators in the early part of their career who are doing cutting-edge research. As part of the educational and scientific activities and functions occurring during the tenure of these scientific researchers, the organization arranges symposia, tutorials, lectures and conferences for other scientists, non-scientists and students.

During the fiscal year,

A) Vallee Visiting Professorship Program

The organization organized and funded the research programs of the following visiting research scholars at the following institutions:

Visiting Professors (Affiliation)

At Institution

Dr David Eisenberg (University of California, Los Angeles)

At University of Cambridge, UK

Dr Elaine Fuchs (The Rockefeller University)

At Institute for Research in Biomedicine, Barcelona, Spain

Dr Ari Helenius (Institute of Biochemistry, ETH Zurich, Switzerland)

At University of California, San Francisco and Yale University Medical School

Dr Tyler Jacks (Massachusetts Institute of Technology)

At Weizmann Institute of Sciences, Israel

Dr Karen Vousden (Cancer Research, UK)