EXTENDED TO NOVEMBER 15, 2017

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

2016

Open to Public Inspection

For calendar year 2016 or tax year beginning , and ending

Name of foundation CONNELLY FOUNDATION	A Employer identification number 23-6296825
Number and street (or P O box number if mail is not delivered to street address) 100 FRONT STREET — Room/suite 1450	B Telephone number (610) 834-3222
City or town, state or province, country, and ZIP or foreign postal code WEST CONSHOHOCKEN, PA 19428	C If exemption application is pending, check here ▶ ☐
G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change	D 1. Foreign organizations, check here ▶ ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation	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) ▶$ 269,869,938. J Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify) (Part I, column (d) must be on cash basis)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

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

		(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	131,080.		N/A	
	2 Check ▶ ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	57,799.	57,799.		STATEMENT 2
	4 Dividends and interest from securities	4,665,670.	4,665,670.		STATEMENT 3
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	6,691,508.			STATEMENT 1
	b Gross sales price for all assets on line 6a 13,368,777.				
	7 Capital gain net income (from Part IV, line 2)		6,609,805.		
	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	-999,435.	-1,187,803.		STATEMENT 4
	12 **Total.** Add lines 1 through 11	10,546,622.	10,145,471.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	1,233,635.	602,857.		631,135.
	14 Other employee salaries and wages	609,955.	179,986.		427,712.
	15 Pension plans, employee benefits	469,069.	192,141.		286,811.
	16a Legal fees STMT 5	1,688.	386.		1,297.
	b Accounting fees STMT 6	48,380.	27,214.		11,745.
	c Other professional fees STMT 7	82,400.	82,400.		0.
	17 Interest				
	18 Taxes STMT 8	35,333.	35,333.		0.
	19 Depreciation and depletion	16,225.	5,973.		
	20 Occupancy	263,108.	96,858.		177,764.
	21 Travel, conferences, and meetings	29,761.	4,445.		25,336.
	22 Printing and publications	5,447.	867.		4,580.
	23 Other expenses STMT 9	481,981.	51,725.		232,173.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	3,276,982.	1,280,185.		1,798,553.
	25 Contributions, gifts, grants paid	13,676,028.			11,302,564.
	26 **Total expenses and disbursements.** Add lines 24 and 25	16,953,010.	1,280,185.		13,101,117.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	-6,406,388.			
	b **Net investment income** (if negative, enter -0-)		8,865,286.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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

		Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1 Cash - non-interest-bearing	3,504,884.	4,008,981.	4,008,981.
	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	31,910.	32,492.	32,492.
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 11	10,140,000.	10,514,000.	10,514,000.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 12	246,443,524.	254,001,691.	254,001,691.
	14 Land, buildings, and equipment: basis ▶ 736,280.			
	Less accumulated depreciation ▶ 685,157.	55,589.	51,123.	51,123.
	15 Other assets (describe ▶ STATEMENT 13)	1,814,628.	1,261,651.	1,261,651.
	16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	261,990,535.	269,869,938.	269,869,938.
Liabilities	17 Accounts payable and accrued expenses	188,438.	196,438.	
	18 Grants payable	5,182,260.	7,555,724.	
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶ STATEMENT 14)	1,046,637.	1,181,318.	
	23 **Total liabilities** (add lines 17 through 22)	6,417,335.	8,933,480.	
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	255,473,875.	260,770,933.	
	25 Temporarily restricted	99,325.	165,525.	
	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**	255,573,200.	260,936,458.	
	31 **Total liabilities and net assets/fund balances**	261,990,535.	269,869,938.	

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	255,573,200.
2	Enter amount from Part I, line 27a	2	-6,406,388.
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 10	3	11,769,646.
4	Add lines 1, 2, and 3	4	260,936,458.
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	260,936,458.

Part IV Capital Gains and Losses for Tax on Investment Income SEE ATTACHED STATEMENT

	(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				
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	13,368,777.		6,758,972.	6,609,805.

	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				6,609,805.

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	6,609,805.
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))
2015	12,664,904.	267,885,074.	.047277
2014	11,670,580.	264,888,553.	.044058
2013	10,388,366.	238,783,688.	.043505
2012	10,915,696.	214,888,134.	.050797
2011	10,109,441.	213,636,490.	.047321

2 **Total** of line 1, column (d)	2	.232958
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	.046592
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	258,636,203.
5 Multiply line 4 by line 3	5	12,050,378.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	88,653.
7 Add lines 5 and 6	7	12,139,031.
8 Enter qualifying distributions from Part XII, line 4	8	13,101,117.

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 ▶ [X] and enter 1% of Part I, line 27b		1	88,653.
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	88,653.
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	88,653.
6	Credits/Payments:			
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a 438,319.		
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	438,319.
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	349,666.
11	Enter the amount of line 10 to be: **Credited to 2017 estimated tax** ▶ 349,666. **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?	4b	X	
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) ▶ PA			
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 2016 or the taxable year beginning in 2016 (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.CONNELLYFDN.ORG, WWW.GUIDESTAR.ORG

14 The books are in care of ▶ AMY M. SNYDER, CFO Telephone no. ▶ (610) 834-3222

Located at ▶ 100 FRONT ST, STE 1450, WEST CONSHOHOCKEN, PA ZIP+4 ▶ 19428

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 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		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 2016?	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 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? ☐ 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 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.)*	3b		X
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 2016?	4b		X

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)? N/A | 5b |
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)
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 15		1,233,635	218,458.	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
ANNE M. HILEMAN - 100 FRONT STREET, SUITE 1450, W CONSHOHOCKEN, PA 19428	SENIOR PROGRAM OFFICER 40.00	113,501.	38,888.	0.
JOSEPH D. FRANGIOSA - 100 FRONT STREET, SUITE 1450, W CONSHOHOCKEN,	CONTROLLER 40.00	116,115.	21,228.	0.
ELIZABETH A. WILCOX - 100 FRONT STREET, SUITE 1450, W CONSHOHOCKEN,	ASSOC. VP OF ADMINISTRATION 40.00	105,961.	17,842.	0.
CAROL L CROMIE - 100 FRONT STREET, SUITE 1450, W CONSHOHOCKEN, PA 19428	EXECUTIVE ASSISTANT 40.00	61,268.	11,386.	0.
KIMBERLY W. SIMMONS - 100 FRONT STREET, SUITE 1450, W CONSHOHOCKEN,	PROGRAM ASSOCIATE 40.00	55,449.	17,147.	0.

Total number of other employees paid over $50,000 ▶ 5

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
CALLAN ASSOCIATES INC. 1 DEFOREST AVE. STE 101, SUMMIT, NJ 07901	INVESTMENT CONSULTING	82,400.

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

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	257,308,295.
b	Average of monthly cash balances	1b	4,674,954.
c	Fair market value of all other assets	1c	591,576.
d	**Total** (add lines 1a, b, and c)	1d	262,574,825.
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	262,574,825.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	3,938,622.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	258,636,203.
6	**Minimum investment return.** Enter 5% of line 5	6	12,931,810.

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	12,931,810.
2a	Tax on investment income for 2016 from Part VI, line 5 — 2a: 88,653.		
b	Income tax for 2016. (This does not include the tax from Part VI.) — 2b: 90,467.		
c	Add lines 2a and 2b	2c	179,120.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	12,752,690.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	12,752,690.
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	12,752,690.

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	13,101,117.
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	13,101,117.
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	88,653.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	13,012,464.

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 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7				12,752,690.
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only			12,912,022.	
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: ▶ $ 13,101,117.				
a Applied to 2015, but not more than line 2a			12,912,022.	
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				189,095.
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				12,563,595.
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 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 2016, 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) 2016	(b) 2015	(c) 2014	(d) 2013	(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:

SEE STATEMENT 16

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient: Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
SEE 2016 CASH GRANTS AWARDED SCHEDULE 100 FRONT STREET WEST CONSHOHOCKEN, PA 19428	NONE	PC	EDUCATION	5,950,915.
SEE 2016 CASH GRANTS AWARDED SCHEDULE 100 FRONT STREET WEST CONSHOHOCKEN, PA 19428	NONE	PC	HEALTH & HUMAN SERVICES	3,725,662.
SEE 2016 CASH GRANTS AWARDED SCHEDULE 100 FRONT STREET WEST CONSHOHOCKEN, PA 19428	NONE	PC	CIVIC & CULTURE	1,625,987.
Total			▶ 3a	11,302,564.
b Approved for future payment				
ARC OF CHESTER COUNTY 900 LAWRENCE DRIVE WEST CHESTER, PA 19380	NONE	PC	SUPPORT OF EARLY CHILDHOOD LEARNING SERVICES	20,000.
CHILDREN'S VILLAGE 125 N. 8TH ST. PHILADELPHIA, PA 19106	NONE	PC	SUPPORT OF AT-RISK CHILDREN OVER 2 YEARS, PROVIDING ACADEMIC ASSISTANCE, ENRICHMENT ACTIVITIES, ETC.	15,000.
FAMILY PROMISE OF DELAWARE COUNTY 200 BROOKLINE BLVD HAVERSTOWN, PA 19083	NONE	PC	GENERAL SUPPORT	15,000.
Total SEE CONTINUATION SHEET(S)			▶ 3b	2,373,464.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	57,799.	
4 Dividends and interest from securities			14	4,665,670.	
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	525990	188,368.	18	-1,187,803.	
8 Gain or (loss) from sales of assets other than inventory	525990	87,548.	18	6,603,960.	
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)		275,916.		10,139,626.	0.

13 Total. Add line 12, columns (b), (d), and (e) 13 10,415,542.

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

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

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

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

			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

Amy M Snyder — 11/8/17 — CFO

Signature of officer or trustee — Date — Title

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
JULIUS GREEN, CPA	Julius Green	11/7/17		P00350393
Firm's name ▶ BAKER TILLY VIRCHOW KRAUSE, LLP			Firm's EIN ▶ 39-0859910	
Firm's address ▶ 1650 MARKET STREET, STE 4500 PHILADELPHIA, PA 19103			Phone no. 215-972-0701	

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	TWEEDY BROWNE	P		
b	VANGUARD TOTAL STOCK INDEX	P		
c	VANGUARD BOND INDEX	P		
d	K2 ALT STRAT	P		
e	VANGUARD EMERGING	P		
f	VANGUARD EMERGING STOCK SELECT	P		
g	MORGAN STANLEY	P		
h	SHORT-TERM GAINS FROM PTNERSHIPS	P		
i	LONG-TERM GAINS FROM PTNERSHIPS	P		
j	1231 GAIN FROM PASSTHROUGHS	P		
k	EQUUS PARTNERSHIP DILUTION OF SHARES	P		
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	162,977.			162,977.
b	8,000,000.		4,254,566.	3,745,434.
c	1,627.			1,627.
d			51,320.	-51,320.
e	1,000,000.		1,192,993.	-192,993.
f	1,000,000.		1,172,545.	-172,545.
g	1,602.			1,602.
h	-131,247.		-2,803.	-128,444.
i	2,905,634.		21,437.	2,884,197.
j	410,472.		68,914.	341,558.
k	17,712.			17,712.
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				162,977.
b				3,745,434.
c				1,627.
d				-51,320.
e				-192,993.
f				-172,545.
g				1,602.
h				-128,444.
i				2,884,197.
j				341,558.
k				17,712.
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	6,609,805.
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 XV Supplementary Information

3 Grants and Contributions Approved for Future Payment (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
GREENSGROW PHILADELPHIA PROJECT 2503 EAST FIFTH ST PHILADELPHIA, PA 19125	NONE	PC	SUPPORT OF SNAP BOX PROGRAM	20,000.
HOPE PARTNERSHIP FOR EDUCATION 2601 N. 11TH ST. PHILADELPHIA, PA 19133	NONE	PC	GENERAL SUPPORT	20,000.
IMMACULATA UNIVERSITY 1145 KING ROAD IMMACULATA, PA 19345	NONE	PC	CAPITAL SUPPORT FOR VARIOUS RENOVATIONS AND IMPROVEMENTS	250,000.
JEFFERSON UNIVERSITY 125 S. 9TH ST., STE. 600 PHILADELPHIA, PA 19107	NONE	PC	GENERAL SUPPORT	300,000.
NORTHWEST PHILADELPHIA INTERFAITH HOSPITALITY PROGRAM 7047 GERMANTOWN AVE. PHILADELPHIA, PA 19119	NONE	PC	GENERAL SUPPORT	25,000.
VOLUNTEER ENGLISH PROGRAM 790 E. MARKET STE. 215 WEST CHESTER, PA 19382	NONE	PC	GENERAL SUPPORT	10,000.
ARCHDIOCESE OF PHILADELPHIA 222 NORTH SEVENTEENTH STREET PHILADELPHIA, PA 19103	NONE	PC	THE ORGANIZATION SUPPORTS SEVERAL PROGRAMS.	1,688,464.
FAMILY PROMISE OF SOUTHERN CHESTER COUNTY 105 WEST EVERGREEN STREET WEST GROVE, PA 19390	NONE	PC	GENERAL OPERATING SUPPORT	10,000.
Total from continuation sheets				2,323,464.

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

Schedule of Contributors

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

OMB No 1545-0047

2016

Name of the organization

CONNELLY FOUNDATION

Employer identification number

23-6296825

Organization type (check one)

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

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

General Rule

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

Special Rules

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

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

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

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

Name of organization	Employer identification number
CONNELLY FOUNDATION	23-6296825

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

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	CROWN HOLDINGS, INC. ONE CROWN WAY PHILADELPHIA, PA 19154	$ 60,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
2	DANIEL J. HILFERTY 220 CEDARBROOK ROAD ARDMORE, PA 19003	$ 7,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
3	STEVEN LUNDEEN 30 ALLYSSA DRIVE MEDIA, PA 19063	$ 28,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
4	MICHAEL BRADLEY 1370 S. LEOPARD ROAD BERWYN, PA 19312	$ 28,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)

Name of organization	Employer identification number
CONNELLY FOUNDATION	23-6296825

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

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

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

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

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

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

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

Name of organization	Employer identification number
CONNELLY FOUNDATION	23-6296825

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

Use duplicate copies of Part III if additional space is needed.

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

(e) Transfer of gift

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

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

(e) Transfer of gift

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

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

(e) Transfer of gift

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

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

(e) Transfer of gift

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

CONNELLY FOUNDATION 23-6296825

FORM 990-PF GAIN OR (LOSS) FROM SALE OF ASSETS STATEMENT 1

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
TWEEDY BROWNE	PURCHASED		

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
162,977.	0.	0.	0.	162,977.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
VANGUARD TOTAL STOCK INDEX	PURCHASED		

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
8,000,000.	4,244,076.	0.	0.	3,755,924.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
VANGUARD BOND INDEX	PURCHASED		

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
1,627.	0.	0.	0.	1,627.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
K2 ALT STRAT	PURCHASED		

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
0.	51,320.	0.	0.	-51,320.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
VANGUARD EMERGING	PURCHASED		

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
1,000,000.	1,204,926.	0.	0.	-204,926.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
VANGUARD EMERGING STOCK SELECT	PURCHASED		

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
1,000,000.	1,176,947.	0.	0.	-176,947.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
MORGAN STANLEY	PURCHASED		

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
1,602.	0.	0.	0.	1,602.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
SHORT-TERM GAINS FROM PTNERSHIPS	PURCHASED		

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
-131,247.	0.	0.	0.	-131,247.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
LONG-TERM GAINS FROM PTNERSHIPS	PURCHASED		

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
2,905,634.	0.	0.	0.	2,905,634.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
1231 GAIN FROM PASSTHROUGHS	PURCHASED		

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
410,472.	0.	0.	0.	410,472.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
EQUUS PARTNERSHIP DILUTION OF SHARES	PURCHASED		

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
17,712.	0.	0.	0.	17,712.

CAPITAL GAINS DIVIDENDS FROM PART IV	0.
TOTAL TO FORM 990-PF, PART I, LINE 6A	6,691,508.

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
GOLDMAN SACHS	20.	20.	
MORGAN STANLEY	12,030.	12,030.	
OTHER INTEREST	43,381.	43,381.	
THE BRYN MAWR TRUST CO	2,368.	2,368.	
TOTAL TO PART I, LINE 3	57,799.	57,799.	

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 3

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
PARTNERSHIP INTEREST/DIVIDENDS	1,982,531.	0.	1,982,531.	1,982,531.	
TWEEDY BROWNE	216,664.	0.	216,664.	216,664.	
VANGUARD	2,466,475.	0.	2,466,475.	2,466,475.	
TO PART I, LINE 4	4,665,670.	0.	4,665,670.	4,665,670.	

FORM 990-PF OTHER INCOME STATEMENT 4

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
CMS PRIVATE EQUITY	2,492.	2,492.	
ENDOWMENT VENTURE PARTNERS	-5,936.	-5,880.	
GOLDMAN PEP TECH	2,726.	2,726.	
WHITEHALL STREET REAL ESTATE L.P. XI	143.	394.	
WHITEHALL STREET REAL ESTATE L.P. XII	-444.	-15.	
BPG MULTI-FAMILY	4,197.	-230,205.	
BPG INVESTMENT VII-A	8,245.	8,245.	
BPG INVESTMENT VIII-A	-4,796.	-4,796.	
TIFF KEYSTONE	-615,257.	-524,098.	
PERMIT CAPITAL SERIES B	-5,901.	-5,901.	
PERMIT CAPITAL SERIES L	-1,682.	-1,682.	
TALL CELL	16,480.	16,480.	
PORTFOLIO ADVISORS REAL ESTATE IV	-66,118.	-60,405.	
PORTFOLIO ADVISORS REAL ESTATE V	-152,106.	-128,450.	
FIR TREE INTERNATIONAL	-2,720.	-2,720.	
LL OPPORTUNISTIC MORTGAGE	-5,801.	-5,801.	
LL MORTGAGE FUND	-89,826.	-89,826.	
EQUUS INVEST PARTNERSHIP X, LP	56,840.	-18,390.	
GMG CAPITAL PARTNERS	-149,418.	-149,418.	
FIR TREE INTERNATIONAL-QEF INCOME	9,447.	9,447.	
TOTAL TO FORM 990-PF, PART I, LINE 11	-999,435.	-1,187,803.	

FORM 990-PF LEGAL FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	1,688.	386.		1,297.
TO FM 990-PF, PG 1, LN 16A	1,688.	386.		1,297.

FORM 990-PF ACCOUNTING FEES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	48,380.	27,214.		11,745.
TO FORM 990-PF, PG 1, LN 16B	48,380.	27,214.		11,745.

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 FEES	82,400.	82,400.		0.
TO FORM 990-PF, PG 1, LN 16C	82,400.	82,400.		0.

FORM 990-PF TAXES STATEMENT 8

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES	35,333.	35,333.		0.
TO FORM 990-PF, PG 1, LN 18	35,333.	35,333.		0.

FORM 990-PF	OTHER EXPENSES			STATEMENT 9
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INSURANCE	29,328.	10,796.		18,191.
PROFESSIONAL SERVICES/FEES	144,549.	13,871.		132,199.
DUES	3,985.	1,080.		2,905.
OFFICE SUPPLIES	21,091.	6,362.		14,908.
TELEPHONE	20,390.	7,306.		13,206.
OTHER	4,657.	1,714.		3,369.
FOOD/ENTERTAINMENT	55,907.	9,655.		45,757.
POSTAGE	2,579.	941.		1,638.
EXCISE TAX EXPENSE	199,495.	0.		0.
TO FORM 990-PF, PG 1, LN 23	481,981.	51,725.		232,173.

FORM 990-PF OTHER INCREASES IN NET ASSETS OR FUND BALANCES	STATEMENT 10
DESCRIPTION	AMOUNT
BOOK/TAX DIFFERENCE ON ALTERNATIVE INVESTMENT INCOME	4,901,237.
UNREALIZED LOSS FOR 2016	6,868,409.
TOTAL TO FORM 990-PF, PART III, LINE 3	11,769,646.

FORM 990-PF CORPORATE STOCK		STATEMENT 11
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
COMMON STOCK	10,514,000.	10,514,000.
TOTAL TO FORM 990-PF, PART II, LINE 10B	10,514,000.	10,514,000.

FORM 990-PF	OTHER INVESTMENTS		STATEMENT 12
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
MUTUAL FUNDS-DOMESTIC EQUITY	FMV	88,550,331.	88,550,331.
MUTUAL FUNDS-INTERNATIONAL EQUITY	FMV	27,616,368.	27,616,368.
MUTUAL FUNDS - BONDS	FMV	11,553,663.	11,553,663.
INVESTMENTS IN LIMITED PARTNERSHIPS	FMV	126,264,410.	126,264,410.
OTHER INVESTMENTS	FMV	16,919.	16,919.
TOTAL TO FORM 990-PF, PART II, LINE 13		254,001,691.	254,001,691.

FORM 990-PF	OTHER ASSETS		STATEMENT 13
DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
FEDERAL TAXES RECEIVABLE	124,000.	290,000.	290,000.
ACCRUED INTEREST RECEIVABLE	25,457.	24,293.	24,293.
OTHER RECEIVABLES	1,665,171.	947,358.	947,358.
TO FORM 990-PF, PART II, LINE 15	1,814,628.	1,261,651.	1,261,651.

FORM 990-PF	OTHER LIABILITIES	STATEMENT 14
DESCRIPTION	BOY AMOUNT	EOY AMOUNT
DEFERRED FEDERAL EXCISE TAX PAYABLE	981,000.	1,119,000.
DEFERRED RENT LIABILITY	65,637.	47,318.
FEDERAL TAXES PAYABLE	0.	15,000.
TOTAL TO FORM 990-PF, PART II, LINE 22	1,046,637.	1,181,318.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 15

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
JOSEPHINE C. MANDEVILLE 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	PRESIDENT & CEO 32.00	240,686.	34,859.	0.
EMILY C. RILEY 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	EVP & TRUSTEE 32.00	178,789.	29,041.	0.
LEWIS W. BLUEMLE, JR., MD 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	SVP & TRUSTEE 32.00	103,942.	12,627.	0.
THOMAS A. RILEY, JR., MD 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	VP & TRUSTEE(FINANCE) 40.00	207,638.	54,666.	0.
VICTORIA K. FLAVILLE 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	COO & SECRETARY 40.00	225,383.	46,868.	0.
AMY M. SNYDER 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	CFO & TREASURER 32.00	153,872.	40,397.	0.
CRAIG CARNAROLI 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	TRUSTEE(FINANCE COMM) 2.50	0.	0.	0.
CHRISTINE C. CONNELLY 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	TRUSTEE(HISTORY COMM) 2.00	14,000.	0.	0.
STEPHAN T. CONNELLY 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	FINANCE COMM MEMBER 0.50	875.	0.	0.
JULIE CONNELLY 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	TRUSTEE 2.00	13,000.	0.	0.

THOMAS S. CONNELLY 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	TRUSTEE (HISTORY COMM) 2.00	14,000.	0.	0.
ELEANOR DAVIS 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	TRUSTEE(NOMIN./COMP COMM) 2.50	0.	0.	0.
BRENDAN DELANY 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	TRUSTEE 2.00	13,000.	0.	0.
JAMES P. GALLAGHER 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	TRUSTEE (NOMIN./COMP COMM) 2.50	0.	0.	0.
SCOTT M. JENKINS 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	TRUSTEE(FINANCE/AUDIT) 2.50	0.	0.	0.
CAROLINE MANDEVILLE 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	TRUSTEE 2.00	14,000.	0.	0.
AMELIA Q. RILEY 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	TRUSTEE 2.00	13,000.	0.	0.
BARBARA RILEY 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	TRUSTEE(NOMINATING COMM) 2.50	14,175.	0.	0.
MARY G. DUDEN 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	TRUSTEE(FINANCE/AUDIT) 2.50	14,275.	0.	0.
IRA BRIND 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	TRUSTEE (FINANCE) 2.50	0.	0.	0.
LAUREN CARDONE 100 FRONT STREET, SUITE 1450 W CONSHOHOCKEN, PA 19428	TRUSTEE 2.00	13,000.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		1,233,635.	218,458.	0.

FORM 990-PF GRANT APPLICATION SUBMISSION INFORMATION STATEMENT 16
PART XV, LINES 2A THROUGH 2D

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

EMILY RILEY, CONNELLY FOUNDATION
100 FRONT STREET, SUITE 1450
WEST CONSHOHOCKEN, PA 19428

TELEPHONE NUMBER

(610) 834-3222

FORM AND CONTENT OF APPLICATIONS

APPLICANTS MAY USE THE PHILANTHROPY NETWORK APPLICATION FORM. GUIDELINES MAY BE DOWNLOADED AT WWW.CONNELLYFDN.ORG.

ANY SUBMISSION DEADLINES

NONE

RESTRICTIONS AND LIMITATIONS ON AWARDS

GRANTS ARE PRIMARILY DIRECTED TO ORGANIZATIONS IN THE CITY OF PHILADELPHIA AND THE GREATER DELAWARE VALLEY REGION.