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Return of Private Foundation

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

OMB No 1545-0052

2016

Open to Public Inspection

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.

For calendar year 2016 or tax year beginning , and ending

Name of foundation
GRACE COMMUNICATIONS FOUNDATION, INC.

Number and street (or P.O. box number if mail is not delivered to street address) Room/suite
215 LEXINGTON AVENUE 1001

City or town, state or province, country, and ZIP or foreign postal code
NEW YORK, NY 10016

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

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16)
J Accounting method
 Cash Accrual
 Other (specify) **MODIFIED CASH**

▶ \$ **33,650,103.** (Part I, column (d) must be on cash basis.)

A Employer identification number
26-4777735

B Telephone number
(212)-726-9161

C If exemption application is pending, check here

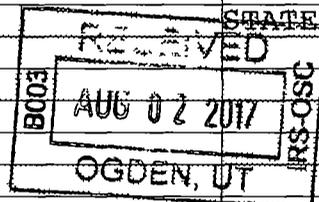
D 1 Foreign organizations, check here

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

E If private foundation status was terminated under section 507(b)(1)(A), check here

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)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments		119.	119.		STATEMENT 2
4 Dividends and interest from securities					
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		2,952,415.			STATEMENT 1
b Gross sales price for all assets on line 6a		7,742,935.			
7 Capital gain net income (from Part IV, line 2)			3,467,935.		
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		99.	0.		STATEMENT 3
12 Total. Add lines 1 through 11		2,952,633.	3,468,054.		
13 Compensation of officers, directors, trustees, etc.		291,207.	0.		291,207.
14 Other employee salaries and wages		3,788,253.	0.		3,788,253.
15 Pension plans, employee benefits		1,276,561.	0.		1,276,561.
16a Legal fees STMT 4		9,413.	0.		9,413.
b Accounting fees STMT 5		42,671.	0.		42,671.
c Other professional fees STMT 6		782,994.	0.		782,994.
17 Interest					
18 Taxes STMT 7		140,000.	0.		0.
19 Depreciation and depletion					
20 Occupancy		616,659.	0.		616,659.
21 Travel, conferences, and meetings		136,434.	0.		136,434.
22 Printing and publications		4,785.	0.		4,785.
23 Other expenses STMT 8		235,927.	0.		235,927.
24 Total operating and administrative expenses. Add lines 13 through 23		7,324,904.	0.		7,184,904.
25 Contributions, gifts, grants paid		0.			0.
26 Total expenses and disbursements. Add lines 24 and 25		7,324,904.	0.		7,184,904.
27 Subtract line 26 from line 12		<4,372,271.>			
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -0-)			3,468,054.		
c Adjusted net income (if negative, enter -0-)				N/A	



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Operating and Administrative Expenses

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	1,246,254.	1,664,384.	1,664,384.
	2 Savings and temporary cash investments	51,476.	51,595.	51,595.
	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			
	10a Investments - U S and state government obligations			
	b Investments - corporate stock STMT 9	32,920,626.	31,841,667.	31,841,667.
	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 SECURITY DEPOSITS)	92,457.	92,457.	92,457.	
16 Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	34,310,813.	33,650,103.	33,650,103.	
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 checked="" type="checkbox"/> X and complete lines 24 through 26 and lines 30 and 31			
	24 Unrestricted	34,310,813.	33,650,103.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here <input type="checkbox"/> 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	34,310,813.	33,650,103.		
31 Total liabilities and net assets/fund balances	34,310,813.	33,650,103.		

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	34,310,813.
2 Enter amount from Part I, line 27a	2	<4,372,271.>
3 Other increases not included in line 2 (itemize) UNREALIZED GAIN ON INVESTMENTS	3	3,711,561.
4 Add lines 1, 2, and 3	4	33,650,103.
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	33,650,103.

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 SALE OF PUBLICLY TRADED SECURITIES	D	VARIOUS	VARIOUS
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 7,742,935.		4,275,000.	3,467,935.
b			
c			
d			
e			

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) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			3,467,935.
b			
c			
d			
e			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	3,467,935.
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	6,769,414.	39,202,736.	.172677
2014			
2013			
2012			
2011			

2 Total of line 1, column (d)	2	.172677
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	.172677
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	32,743,093.
5 Multiply line 4 by line 3	5	5,653,979.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	34,681.
7 Add lines 5 and 6	7	5,688,660.
8 Enter qualifying distributions from Part XII, line 4 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	8	7,184,904.

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 checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	34,681.
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	34,681.
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	34,681.
6	Credits/Payments		
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	80,067.
b	Exempt foreign organizations - tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	80,067.
8	Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	45,386.
11	Enter the amount of line 10 to be credited to 2017 estimated tax. 45,386. Refunded	11	0.

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
1b		X
1c		X
2		X
3		X
4a		X
4b		
5		X
6	X	
7	X	
8a		
8b	X	
9		X
10		X

N/A

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? Website address ► GRACELINKS.ORG	X	
14 The books are in care of ► SIOBHAN MITCHELL Telephone no ► (212)-726-9161 Located at ► 215 LEXINGTON AVENUE, NEW YORK, NY ZIP+4 ► 10016		
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? See the instructions for exceptions and filing requirements for FinCEN Form 114 If "Yes," enter the name of the foreign country ►		X

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 checked="" type="checkbox"/> Yes <input 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 ► <input type="checkbox"/>	1b	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?	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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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? <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	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 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)? 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? 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 **6b** X

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870

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		291,207.	43,083.	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
LESLIE SEFF - 215 LEXINGTON AVENUE, SUITE 1001, NEW YORK, NY 10016	MANAGING DIRECTOR, OPERATIONS 40.00	205,792.	39,699.	0.
ELISA SCHORR - 215 LEXINGTON AVENUE, SUITE 1001, NEW YORK, NY 10016	DIRECTOR OF COMPLIANCE 40.00	166,224.	38,102.	0.
CHRIS GRIFFITHS - 215 LEXINGTON AVENUE, SUITE 1001, NEW YORK, NY	SENIOR ADVISOR 40.00	165,000.	38,484.	0.
JASON SHAW - 215 LEXINGTON AVENUE, SUITE 1001, NEW YORK, NY 10016	DIRECTOR OF TECHNOLOGY 40.00	181,596.	19,284.	0.
KYLE RABIN - 215 LEXINGTON AVENUE, SUITE 1001, NEW YORK, NY 10016	DIRECTOR OF PROGRAMS 40.00	152,108.	29,341.	0.
Total number of other employees paid over \$50,000			18	

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
BERLIN ROSEN - 15 MAIDEN LANE, SUITE 1600, NEW YORK, NY 10038	PUBLIC RELATIONS	230,774.
CHANGING TASTES 69 CHURCH STREET, SUITE 4, LENOX, MA 01240	STRATEGIC MARKET ADVISORY SERVICES	71,740.
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 SEE ATTACHMENT A	2,370,210.
2 SEE ATTACHMENT A	1,083,244.
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	31,444,193.
b	Average of monthly cash balances	1b	1,797,526.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	33,241,719.
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	33,241,719.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	498,626.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	32,743,093.
6	Minimum investment return. Enter 5% of line 5	6	1,637,155.

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	1,637,155.
2a	Tax on investment income for 2016 from Part VI, line 5	2a	34,681.
b	Income tax for 2016 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	34,681.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,602,474.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	1,602,474.
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	1,602,474.

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	7,184,904.
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	7,184,904.
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	34,681.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	7,150,223.

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				1,602,474.
2 Undistributed income, if any, as of the end of 2016			0.	
a Enter amount for 2015 only				
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				4,867,861.
f Total of lines 3a through e	4,867,861.			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ \$ 7,184,904.				
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				1,602,474.
e Remaining amount distributed out of corpus	5,582,430.			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.			
6 Enter the net total of each column as indicated below.	10,450,291.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)	0.			
8 Excess distributions carryover from 2011 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2017 Subtract lines 7 and 8 from line 6a	10,450,291.			
10 Analysis of line 9				
a Excess from 2012				
b Excess from 2013				
c Excess from 2014				
d Excess from 2015				4,867,861.
e Excess from 2016				5,582,430.

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		(e) Total
	(a) 2016	(b) 2015	(c) 2014	(d) 2013	
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

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
<p>a <i>Paid during the year</i></p> <p>NONE</p>				
Total				<p>▶ 3a 0.</p>
<p>b <i>Approved for future payment</i></p> <p>NONE</p>				
Total				<p>▶ 3b 0.</p>

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

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DONATED	(F) DATE ACQUIRED VARIOUS	(F) DATE SOLD VARIOUS	(F) GAIN OR LOSS
SALE OF PUBLICLY TRADED SECURITIES	7,742,935.	4,790,520.	0.				2,952,415.
CAPITAL GAINS DIVIDENDS FROM PART IV							0.
TOTAL TO FORM 990-PF, PART I, LINE 6A							2,952,415.

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
FIRST MANHATTAN	119.	119.	
TOTAL TO PART I, LINE 3	119.	119.	

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
OTHER INCOME	99.	0.	
TOTAL TO FORM 990-PF, PART I, LINE 11	99.	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
PATTERSON BELKNAP WEBB AND TYLER LLP	1,397.	0.		1,397.
POTOMAC LAW GROUP, PLLC	3,292.	0.		3,292.
TRACEE A. DANNER, LLC	4,724.	0.		4,724.
TO FM 990-PF, PG 1, LN 16A	9,413.	0.		9,413.

FORM 990-PF	ACCOUNTING FEES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PKF O'CONNOR DAVIES, LLP	34,591.	0.		34,591.
DEMASCO SENA & JAHELKA, LLC	8,080.	0.		8,080.
TO FORM 990-PF, PG 1, LN 16B	42,671.	0.		42,671.

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
EMPLOYEE BENEFIT CONSULTING	13,108.	0.		13,108.
PROGRAMMATIC CONSULTING	40,109.	0.		40,109.
PUBLIC RELATIONS	220,774.	0.		220,774.
IT CONSULTING	44,898.	0.		44,898.
TEMPORARY EMPLOYMENT AND NEW HIRE SEARCH	382,615.	0.		382,615.
STRATEFIC MARKET ADVISORY SERVICES	71,739.	0.		71,739.
OTHER PROFESSIONAL FEES	9,751.	0.		9,751.
TO FORM 990-PF, PG 1, LN 16C	782,994.	0.		782,994.

FORM 990-PF	TAXES			STATEMENT 7
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL EXCISE TAXES	140,000.	0.		0.
TO FORM 990-PF, PG 1, LN 18	140,000.	0.		0.

FORM 990-PF	OTHER EXPENSES			STATEMENT 8
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INFORMATION TECHNOLOGY	47,253.	0.		47,253.
INSURANCE	35,454.	0.		35,454.
OFFICE RENOVATIONS	83,919.	0.		83,919.
PROMOTION AND OUTREACH	10,935.	0.		10,935.
EQUIPMENT SUPPLIES AND MAINTENANCE	13,708.	0.		13,708.
POSTAGE AND SHIPPING	3,686.	0.		3,686.
PAYROLL PROCESSING	10,446.	0.		10,446.
FILING FEES	2,185.	0.		2,185.
MEMBERSHIP FEES	5,239.	0.		5,239.
OFFICE EXPENSES	23,102.	0.		23,102.
TO FORM 990-PF, PG 1, LN 23	235,927.	0.		235,927.

FORM 990-PF	CORPORATE STOCK		STATEMENT 9
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE	
	31,841,667.	31,841,667.	
TOTAL TO FORM 990-PF, PART II, LINE 10B	31,841,667.	31,841,667.	

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 10

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
HELAINÉ LERNER 215 LEXINGTON AVENUE, SUITE 1001 NEW YORK, NY 10016	PRESIDENT, TREASURER, DIR 35.00	16,207.	652.	0.
MAJORIE GILBERT 215 LEXINGTON AVENUE, SUITE 1001 NEW YORK, NY 10016	SECRETARY, DIRECTOR 7.00	0.	0.	0.
JUDITH LABELLE 215 LEXINGTON AVENUE, SUITE 1001 NEW YORK, NY 10016	DIRECTOR 5.00	0.	0.	0.
ROBERT LAWRENCE 215 LEXINGTON AVENUE, SUITE 1001 NEW YORK, NY 10016	DIRECTOR 5.00	0.	0.	0.
SCOTT CULLEN 215 LEXINGTON AVENUE, SUITE 1001 NEW YORK, NY 10016	EXECUTIVE DIRECTOR, DIRECT 40.00	275,000.	42,431.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		291,207.	43,083.	0.

Grace Communications Foundation, Inc.**Form 990PF – Part IX-A: Summary of Direct Charitable Activities****December 31, 2016****Food/Water/Energy Program****\$2,370,2010**

In 2016, the organization continued refining and expanding its online content to educate the public about the benefits of sustainable agriculture and the problems created by the industrial alternative, as well as food waste and aquaculture. It conducted outreach for one of our newest and most popular resources, the Seasonal Food Guide (SFG), a tool that helps consumers find which foods are in season in any state, in any month of the year. The organization created a Spanish version of the Water Footprint Calculator, an online tool that helps users expand their understanding of how they depend upon and use water in their daily lives; it was released on World Water Day and selected for inclusion in the White House Water Summit. The organization also received the Environmental Protection Agency's Environmental Champion Award for the calculator. The organization sent out over 100 copies of its Meatrix video series in response to requests for same, and worked with other NGO's on translating the video into foreign languages/dialects. It also participated in the National Center for Science and the Environment's Food-Water-Energy nexus conference, the New York Academy of Science's Antibiotics in Food conference and Stony Brook University's Food Lab conference, and spoke to students at NYU's School of Professional Studies, Center for Global Affairs, and Manhattanville College.

Communications Program**\$1,083,244**

In 2016, the organization's Econcentric blog continued to address the issues faced by our food and agriculture systems, including animal welfare, food policy, the relationship between food and climate, sustainable fish farming and urban agriculture. It expanded the content offerings of its Real Food Right Now, Taste It Don't Waste It, and Heroes series' which highlight and focus on, seasonal food and how to cook it, reducing food waste, and leaders in the sustainable food movement, respectively. The organization expanded its social media presence across platforms, which now include Facebook, Twitter, Instagram and Pinterest, and grew its following from 95,000 followers to more than 107,000 followers, an increase of 13%. In addition, the organization presented at the annual River Network conference on social media strategy, and worked with the White House's Communications Department on the promotion of the Water Footprint Calculator for the White House's 2016 Water Summit.