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 , 2016, and ending , 20

Name of foundation
ARMSTRONG MCDONALD FOUNDATION

A Employer identification number
36-3458711

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
PO BOX 70110

B Telephone number (see instructions)
(520)742-2667

City or town, state or province, country, and ZIP or foreign postal code
Tucson, AZ 85755

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)* ▶ $ 17,616,057

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) (see instructions))*

	Line	Description	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ ☒ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	275,953	275,953	275,953	
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	9,275			
	b	Gross sales price for all assets on line 6a 5,819,453				
	7	Capital gain net income (from Part IV, line 2)		9,275		
	8	Net short-term capital gain			13,003	
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule) STM106	81	81	81	
	12	**Total.** Add lines 1 through 11	285,309	285,309	289,037	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc				
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule) STM107	50	25	25	25
	b	Accounting fees (attach schedule) STM108	16,100	8,050	8,050	8,050
	c	Other professional fees (attach schedule) STM109	63,209	63,159	63,158	51
	17	Interest				
	18	Taxes (attach schedule) (see instructions) STM110	2,221			
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy	1,286	643	643	643
	21	Travel, conferences, and meetings	2,202	1,101	1,101	1,101
	22	Printing and publications				
	23	Other expenses (attach schedule) STM103	2,219	1,110	1,109	1,110
	24	**Total operating and administrative expenses.** Add lines 13 through 23	87,287	74,088	74,086	10,980
	25	Contributions, gifts, grants paid	1,099,985			1,099,985
	26	**Total expenses and disbursements.** Add lines 24 and 25	1,187,272	74,088	74,086	1,110,965
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	(901,963)			
	b	**Net investment income** (if negative, enter -0-)		211,221		
	c	**Adjusted net income** (if negative, enter -0-)			214,951	

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Part II	Balance Sheets — Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	516,745	49,065	49,065
	3 Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach schedule) ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges		17,068	17,068
	10a Investments - U S and state government obligations (attach schedule)			
	b Investments - corporate stock (attach schedule) STM137	11,714,181	11,202,193	14,197,734
	c Investments - corporate bonds (attach schedule) STM138	3,296,557	3,351,083	3,352,190
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
	12 Investments - mortgage loans			
	13 Investments - other (attach schedule)			
	14 Land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	15,527,483	14,619,409	17,616,057
Liabilities	17 Accounts payable and accrued expenses	6,111		
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	6,111	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☒ 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	15,521,372	14,619,409	
	30 Total net assets or fund balances (see instructions)	15,521,372	14,619,409	
	31 Total liabilities and net assets/fund balances (see instructions)	15,527,483	14,619,409	

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	15,521,372
2	Enter amount from Part I, line 27a	2	(901,963)
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	14,619,409
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	14,619,409

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	See STM134			
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	5,819,453		5,810,178	9,275
b				
c				
d				
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				9,275
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 — 9,275

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8 — 3 — 13,003

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	1,110,525	16,051,600	0.069185
2014	971,667	15,534,126	0.06255
2013	940,266	16,377,477	0.057412
2012	906,540	15,565,786	0.058239
2011	908,224	15,602,248	0.058211

2	**Total** of line 1, column (d)	2	0.305598
3	Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.06112
4	Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	16,671,252
5	Multiply line 4 by line 3	5	1,018,947
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	2,112
7	Add lines 5 and 6	7	1,021,059
8	Enter qualifying distributions from Part XII, line 4	8	1,110,965

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	2,112
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	2,112
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	2,112
6	Credits/Payments				
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	19,180		
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	19,180
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ 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	17,068
11	Enter the amount of line 10 to be **Credited to 2017 estimated tax** ▶ 17,068 **Refunded** ▶			11	

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 ▶ $ ______ **(2)** On foundation managers. ▶ $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ______			
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		
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) ▶ AZ			
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.ARMSTRONGMCDONALDFOUNDATION.ORG

14 The books are in care of ▶ MICHAEL J BOUCHARD Telephone no ▶ 520-742-2667

Located at ▶ 12549 N LA CHOLLA BLVD, TUCSON, AZ ZIP+4 ▶ 85742

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

			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		
	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)	2b		X
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		
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)*

		Yes	No
5a	During the year did the foundation pay or incur any amount to:		
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No		
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No		
	(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions) ☐ Yes ☒ No		
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No		
b	If any answer is "Yes" to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)? **5b**		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐		
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No		
	If "Yes," attach the statement required by Regulations section 53 4945-5(d)		
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No		
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b**		X
	If "Yes" to 6b, file Form 8870		
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No		
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **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 (see instructions).

(a) Name and address See 990 OFOV	(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
LAURIE BOUCHARD 12459 N LA CHOLLA BLVD, AZ 85742	PRESIDENT 0.00	0	0	0
RYAN M BOUCHARD 12549 N LA CHOLLA BLVD, AZ 85742	VICE PRESIDENT 0.00	0	0	0
CORBY L LUST 12549 N LA CHOLLA BLVD, AZ 85742	VICE PRESIDENT 0.00	0	0	0
TODD MCDONALD 12549 N LA CHOLLA BLVD, AZ 85742	VICE PRESIDENT 0.00	0	0	0

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

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

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

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

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

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
HARTLINE INVESTMENT CORPORATION 20 N WACKER DR SUITE 3820, CHICAGO, IL 60606	INVESTMENT MGMT	STMC01 63,108
Total number of others receiving over $50,000 for professional services ▶		

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	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 ▶	

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	17,162,302
b	Average of monthly cash balances	1b	618,950
c	Fair market value of all other assets (see instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	17,781,252
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	17,781,252
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions) STM159	4	1,110,000
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	16,671,252
6	**Minimum investment return.** Enter 5% of line 5	6	833,563

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	833,563
2a	Tax on investment income for 2016 from Part VI, line 5	2a	2,112		
b	Income tax for 2016 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	2,112
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	831,451
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	831,451
6	Deduction from distributable amount (see instructions)			6	
7	**Distributable amount** as adjusted. Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	831,451

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	1,110,965
b	Program-related investments - total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,110,965
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	2,112
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	1,108,853

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				831,451
2	Undistributed income, if any, as of the end of 2016:				
a	Enter amount for 2015 only				
b	Total for prior years ______, ______, ______				
3	Excess distributions carryover, if any, to 2016				
a	From 2011 132,061				
b	From 2012 138,679				
c	From 2013 138,112				
d	From 2014 206,753				
e	From 2015 326,064				
f	**Total** of lines 3a through e	941,669			
4	Qualifying distributions for 2016 from Part XII, line 4 ▶ $ 1,110,965				
a	Applied to 2015, but not more than line 2a				
b	Applied to undistributed income of prior years (Election required - see instructions)				
c	Treated as distributions out of corpus (Election required - see instructions)				
d	Applied to 2016 distributable amount				831,451
e	Remaining amount distributed out of corpus	279,514			
5	Excess distributions carryover applied to 2016 *(If an amount appears in column (d), the same amount must be shown in column (a).)*				
6	**Enter the net total of each column as indicated below:**				
a	Corpus Add lines 3f, 4c, and 4e Subtract line 5	1,221,183			
b	Prior years' undistributed income Subtract line 4b from line 2b				
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				
d	Subtract line 6c from line 6b Taxable amount - see instructions				
e	Undistributed income for 2015 Subtract line 4a from line 2a Taxable amount - see instructions				
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)				
8	Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions)	132,061			
9	**Excess distributions carryover to 2017.** Subtract lines 7 and 8 from line 6a	1,089,122			
10	Analysis of line 9				
a	Excess from 2012 138,679				
b	Excess from 2013 138,112				
c	Excess from 2014 206,753				
d	Excess from 2015 326,064				
e	Excess from 2016 279,514				

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

1a 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
2a 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

990APP

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 ATTACHED SCHEDULE OF GRANTS PD STATEMENT 11 Tucson, AZ 85737-0110	NONE	PC	CHARITY	1,099,985
Total . . . . ▶ 3a				1,099,985
b *Approved for future payment*				
Total . . . . ▶ 3b				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(d) Amount	(e) Related or exempt function income (See instructions)
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					
4 Dividends and interest from securities			14	275,953	
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					
8 Gain or (loss) from sales of assets other than inventory			18	9,275	
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)				285,228	

13 Total. Add line 12, columns (b), (d), and (e) . . . 13 285,228

(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) (See instructions)

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

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

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

M J Bouchard 7/5/17

▶ MICHAEL J BOUCHARD ▶ SectyTreas

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Gregory L Heisey CPA	Gregory Heisey	6-29-17		P00287011
Firm's name ▶ Gregory L Heisey CPA PC			Firm's EIN ▶	
Firm's address ▶ PO Box 36925 Tucson AZ 85740			Phone no 520-742-4697	

Name(s) as shown on return: ARMSTRONG MCDONALD FOUNDATION

Your Social Security Number: 36-3458711

Form 990PF - Part XV - Line 2
Application Submission Information

Grant Program
ARMSTRONG MCDONALD

Applicant Name
WEBSITE

Address
PO BOX 70110
Tucson, AZ 85737-0110

Telephone
520-742-2667

Email Address

Form & Content
APPLICATION MUST BE DOWNLOADED FROM WEBSITE AT WWW.ARMSTRONGMCDONALDFOUNDATION.ORG AND COMPLETED IN ITS ENTIRETY, INCLUDING ALL REQUIRED ATTACHMENTS.

Submission Deadline
PER WEBSITE

Restrictions on Award
PER WEBSITE

Name(s) as shown on return: ARMSTRONG MCDONALD FOUNDATION

FEIN: 36-3458711

Form 990PF - Part VIII - Line 3
Contractor Compensation Explanation

Statement #C01

Name

HARTLINE INVESTMENT CORPORATION

Explanation

PORTFOLIO MANAGEMENT FEES

PG01

Form 990PF - Part II - Line 10(b)
Investments: Corporate Stock Schedule

Statement #137

Category	BOY	Book Value	EOY FMV
SEE ATTACHED SCHWAB STMT 13	10,661,389	10,748,780	13,724,214
SEE ATTACHED SCHWAB STMT 13	1,052,792	453,413	473,520
Totals	11,714,181	11,202,193	14,197,734

PG01

Form 990PF - Part II - Line 10(c)
Investments: Corporate Bond Schedule

Statement #138

Category	BOY	Book Value	EOY FMV
SEE ATTACHD SCHWAB INV STMT 13	3,296,557	3,351,083	3,352,190
Totals	3,296,557	3,351,083	3,352,190

Name(s) as shown on return	FEIN
ARMSTRONG MCDONALD FOUNDATION	36-3458711

Form 990PF - Part X - Line 4 Statement #159

Cash Deemed Held for Charitable Activities

SEE STATEMENT 10

Federal Supporting Statements

2016 PG01

Name(s) as shown on return: ARMSTRONG MCDONALD FOUNDATION

Your Social Security Number: 36-3458711

Form 990PF - Part I - Line 23 - Other Expenses Schedule

Statement #103~

Description	Revenue and expenses	Net investment	Adjusted net income	Charitable purpose
COMPUTER CHARGES	636	318	318	318
INSURANCE	1,271	636	635	636
OFFICE	312	156	156	156
OTHER INVESTMENT COSTS	0	0	0	0
Totals	2,219	1,110	1,109	1,110

PG01

Form 990PF - Part I - Line 11 - Other Income Schedule

Statement #106~

Description	Revenue and expenses	Net investment	Adjusted net income
MISCELLANEOUS	81	81	81
Totals	81	81	81

Federal Supporting Statements

2016 PG01

Name(s) as shown on return: ARMSTRONG MCDONALD FOUNDATION

Your Social Security Number: 36-3458711

Form 990PF - Part I - Line 16(a) - Legal Fees Schedule

Statement #107~

Description	Revenue and expenses	Net investment	Adjusted net income	Charitable purpose
DUFFIELD	50	25	25	25
Totals	50	25	25	25

PG01

Form 990PF - Part I - Line 16(b) - Accounting Fees Schedule

Statement #108~

Description	Revenue and expenses	Net investment	Adjusted net income	Charitable purpose
GREG HEISEY, CPA	16,100	8,050	8,050	8,050
Totals	16,100	8,050	8,050	8,050

Federal Supporting Statements

2016 PG01

Name(s) as shown on return: ARMSTRONG MCDONALD FOUNDATION

Your Social Security Number: 36-3458711

Form 990PF - Part I - Line 16(c) - Other Professional Fees Schedule

Statement #109~

Description	Revenue and expenses	Net investment	Adjusted net income	Charitable purpose
SCHWAB	101	51	50	51
HARTLINE	63,108	63,108	63,108	0
Totals	63,209	63,159	63,158	51

PG01

Form 990PF - Part I - Line 18 - Taxes Schedule

Statement #110~

Description	Revenue and expenses	Net investment	Adjusted net income	Charitable purpose
EXCISE TAX	2,221	0	0	0
Totals	2,221	0	0	0

Federal Supporting Statements

2016 PG01

Name(s) as shown on return: ARMSTRONG MCDONALD FOUNDATION

Your Social Security Number: 36-3458711

Form 990-PF - Part IV - Capital Gains And Losses Information (Overflow)

Statement #134~

Description	P-Purchase D-Donation	Date Acquired	Date Sold	Sales Price	Depreciation	Cost or other basis	Gain or Loss	Gains Minus Excess or Losses
ALLSTATE LIFE	P	06-30-2016	11-25-2016	170,000		169,640	360	360
AIG	P	08-26-2016	04-28-2016	473,786		503,793	(30,007)	(30,007)
MIDD	P	11-23-2015	05-27-2016	123,890		106,823	17,067	17,067
FREEPORT MCMORAN	P	08-06-2015	06-23-2016	200,980		195,652	5,328	5,328
NVDA	P	06-30-2016	10-10-2016	658,903		460,216	198,687	198,687
SKX	P	12-16-2015	11-15-2016	350,245		487,346	(137,101)	(137,101)
SRCL	P	11-23-2015	09-09-2016	81,806		123,137	(41,331)	(41,331)
ALL STATE LIFE	P	11-22-2010	11-25-2016	240,000		238,800	1,200	1,200
GOOGL	P	05-20-2014	08-29-2016	79,670		54,528	25,142	25,142
AAPL	P	04-30-2013	10-11-2016	222,416		126,764	95,652	95,652
CMCSA	P	10-17-2014	03-23-2016	177,662		153,401	24,261	24,261
COP	P	12-17-2014	09-15-2016	282,024		420,266	(138,242)	(138,242)
ITW	P	12-02-2003	03-28-2016	407,406		161,358	246,048	246,048
MIDD	P	02-26-2014	08-29-2016	389,510		304,196	85,314	85,314
SCHF	P	02-13-2015	04-28-2016	1,063,087		1,149,022	(85,935)	(85,935)
SBUX	P	06-07-2013	08-29-2016	113,361		64,630	48,731	48,731
SRCL	P	04-24-2015	09-09-2016	327,226		543,291	(216,065)	(216,065)
WELLS FARGO BANK	P	07-11-2012	06-30-2016	95,000		100,007	(5,007)	(5,007)
WETF	P	02-04-2014	11-08-2016	84,799		138,421	(53,622)	(53,622)
ZG	P	10-07-2015	12-23-2016	77,682		66,291	11,391	11,391
TRANSCANADA	P	11-27-2012	06-30-2016	200,000		242,596	(42,596)	(42,596)
Total				5,819,453		5,810,178	9,275	9,275

STATEMENT 10

Why Cash Balances in Excess of 1.5% of the FMV of the Foundation's Noncharitable Assets Should Be Excluded

Name:	Armstrong McDonald Foundation
Federal ID No.:	36-3458711
Year Ending:	12-31-16

Form 990-PF, Part X, Line 4

In accordance with Reg. 53.4942(a)-2(c)(3)(iv), the above referenced foundation is excluding from its minimum investment return (MIR) calculation a total of $1,110,965 in cash that it deems held for charitable activities. This amount is in excess of 1.5% of the fair market value of the foundation's noncharitable assets. The following information is submitted in support of the exclusion from MIR of this amount:

1. Fair Market value of foundation's noncharitable assets: $17,781,252

2. 1.5% of line 1: $266,719

3. Facts and circumstances justifying the exclusion of an amount in excess of the amount on line 2:

The Grants to be paid during 2016 will be	$1,099,985
The 2016 charitable operating and administrative expenses are expected to be	$ 10,980
TOTAL Cash Needed for Expenses & Disbursements	$1,110,965

STATEMENT #11

ARMSTRONG MCDONALD FOUNDATION 2016 GRANTS

Category	Name of Recipient	Street Address	City	State	Zip Code	Grant Purpose	Amount
Animal Welfare	Zoological Society of San Diego	PO Box 120551	San Diego	CA	92112	Benefits and partial salary for research associate	$57,208
						Category Total	**$ 57,208**
Children and Youth	Children's Museum of Tucson	200 S. 6th Ave.	Tucson	AZ	85701	School visits, exhibit upgrades and OV courtyard	$67,725
						Category Total	**$ 67,725**
Education	Bellevue University	1000 Galvin Rd. Sout	Bellevue	NE	68005	Partial funding of science lab renovation	$75,000
	College of St. Mary	700 Mercy Road	Omaha	NE	68106	Health professions technology and equipment	$38,850
	College of the Ozarks	PO Box 17	Point Lookout	MO	65726	McDonald School of Nursing, remodel of McDonald Buildings as needed and scholarship	$315,000
	Hastings College	710 N. Turner Ave.	Hastings	NE	68901	Partial funding of 9th St./Steinhart Plaza Project	$75,000
	Hastings Museum JMM Planetarium	1330 N. Burlington	Hastings	NE	68901	Digital projection system	$52,000
	Omaha Street School	3223 N 45th Street	Omaha	NE	68104	Gap U Start up expenses	$14,000
						Category Total	**$ 569,850**
Health	Casa de los Ninos	1101 N. 4th Ave.	Tucson	AZ	85705	Needed healthcare for shelter residents	$30,000
	Cascade Foundation	PO Box 40397	Tucson	AZ	85717	Support services for individuals with bleeding disorders	$27,500
	Southern AZ Aids Foundation	375 S Euclid Ave.	Tucson	AZ	85719	Complimentary Therapies Program for aids patients	$50,000
	TMC Foundation	5301 E Grant Road	Tucson	AZ	85712	Intensive therapy for 4 families with special needs kids.	$26,500
	U of A Steele Children Research Center	PO Box 245073	Tucson	AZ	85724	Upgrade 7 pieces of equipment that AMF purchased	$69,702
						Category Total	**$203,702**
							11/6/2016

ARMSTRONG MCDONALD FOUNDATION 2016 GRANTS

Category	Name of Recipient	Street Address	City	State	Zip Code	Grant Purpose	Amount
Relief and Social	Arizona's Children Association	2700 South 8th Ave.	Tucson	AZ	85713	Kinship Support Services	$25,000
	Emerge	2545 E. Adams St.	Tucson	AZ	85716	Expenses of shelter for battered women	$40,000
	Mobile Meals of Tucsc	4803 E 5th Suite 209	Tucson	AZ	85711	Mobile meal costs	$15,000
						Category Total	**$80,000**
Special Needs	Mosaic	2226 W. Northern Ave Suite C140	Phoenix	AZ	85021	Stand in Gap, Home Improvements and Service Exceller Projects	$81,500
	NW School for Deaf Hard-of-Hearing Children	PO Box 31325	Seattle	WA	98103	MacBook pros and software	$15,000
	Special Olympics	3340 N. Country Club	Tucson	AZ	85345	Various program expenses	$25,000
						Category Total	**$121,500**
						Total of 2016 Grants	**$ 1,099,985**
		Laurie L. Bouchard					
		Ryan M. Bouchard					
		Michael J. Bouchard					
		Corby L. Lust					
		Todd McDonald					

11/6/2016

charles SCHWAB

Schwab One® Account of
ARMSTRONG MCDONALD FOUNDATION

Account Number
9435-4413

Statement Period
December 1-31, 2016

Need help reading this statement?
Visit www.schwab.com/StatementGuide for more information.

Market Monitor

Rates	Yield
Schwab Govt MMF[f]	0.01%
Treasury Bill - 6 Months	0.70%
Treasury Bond - 30 Year	2.70%

ARMSTRONG MCDONALD FOUNDATION
PO BOX 70110
TUCSON AZ 85737-0027

Your Independent Investment Manager and/or Advisor

HARTLINE INVESTMENT CORP
ATTN BILL HART
211 W WACKER DR
SUITE 1600
CHICAGO IL 60606-3103
1 (312) 726-4278

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12/30-00000-TTCP0912-145207 *1-2-3

Account Value as of 12/31/2016: $ 17,599,099.11

Change in Account Value	This Period	Year to Date
Starting Value	**$ 17,428,636.40**	**$ 17,963,515.71**
Cash Value of Purchases & Sales	(402,962.61)	460,649.31
Investments Purchased/Sold	402,962.61	(460,649.31)
Deposits & Withdrawals	(5,327.78)	(1,207,563.96)
Dividends & Interest	30,473.95	279,462.23
Fees & Charges	0.00	(117.00)
Transfers	0.00	0.00
Income Reinvested	(1.58)	(122.20)
Change in Value of Investments	145,318.12	563,924.33
Ending Value on 12/31/2016	**$ 17,599,099.11**	**$ 17,599,099.11**
Accrued Income[d]	*10,002.52*	
Ending Value with Accrued Income[d]	***$ 17,609,101.63***	

[redacted]

Asset Composition	Market Value
Cash and Money Market Funds [Sweep]	$ 49,175.17
Fixed Income	3,352,189.54
Equities	13,724,214.40
Other Assets	473,520.00
Total Assets Long	**$ 17,599,099.11**

[redacted]

Gain or (Loss) Summary

Realized Gain or (Loss) This Period

Short Term	$0.00
Long Term	$11,391.48

Unrealized Gain or (Loss)

All Investments	$2,996,681.38[b]

Values may not reflect all of your gains/losses.

Account Notes

- Accrued Interest is $852.52
- Accrued Dividend is $9,150 00

Schwab has provided accurate gain and loss information wherever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings.
Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement

charles SCHWAB

Schwab One® Account of
ARMSTRONG MCDONALD FOUNDATION

Account Number **9435-4413**

Statement Period **December 1-31, 2016**

Income Summary

	This Period		Year to Date	
	Federally Tax-Exempt	Federally Taxable	Federally Tax-Exempt	Federally Taxable
Money Funds Dividends	0.00	1.58	0.00	189 21
Cash Dividends	0.00	21,418.48	0.00	182,429.95
Corporate Bond and Other Interest	0.00	9,053.89	0.00	97,355.24
Certificate of Deposit Interest	0.00	0.00	0.00	1,040.61
[redacted]				
Accrued Interest Paid[4]	0.00	0.00	0.00	(3,307.98)

[4]Certain accrued interest paid on taxable bonds may be deductible; consult your tax advisor.

Investment Detail - Cash and Money Market Funds [Sweep]

Cash	Market Value
Cash	6,931.92
[redacted]	

Money Market Funds [Sweep]	Quantity	Market Price	Market Value	Current Yield
SCHWAB GOVT MONEY FUND. SWGXX	42,243.2500	1.0000	42,243.25	0.01%
[redacted]				

Schwab has provided accurate gain and loss information wherever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings.
Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement

Investment Detail - Fixed Income

Corporate Bonds	Par	Market Price	Market Value / *Cost Basis*	Adjusted Cost Basis	Unrealized Gain or (Loss)	Estimated Annual Income / Yield to Maturity
PRIN. LIFE INCM F VAR 17	**150,000.0000**	**100.0450**	**150,067.50**	**N/A**	**(3,242.50)**	**N/A**
DUE 02/01/17			*153,310.00*			N/A
CUSIP· 74254PEB4						
MOODY'S· A1 S&P. A+						
BARCLAYS BANK P 2.45%17F	**135,000.0000**	**99.9890**	**134,985.15**	**N/A**	**4,690.15**	**N/A**
DUE 03/10/17			*130,295.00*			N/A
CUSIP: 06740JM98						
MOODY'S. A1 S&P: NR						
MORGAN STANLEY VAR 17	**145,000.0000**	**101.0110**	**146,465.95**	**N/A**	**2,190.95**	**N/A**
DUE 12/01/17			*144,275.00*			N/A
CUSIP: 61745ETL5						
MOODY'S A3 S&P: BBB+						
TOYOTA AUTO RECE 1.03%18	**200,000.0000**	**98.8735**	**197,747.00**	**199,301.00**	**(1,554.00)**	**2,060.00**
DUE 06/20/18			*199,301.00*			N/A[Y]
CALLABLE 06/20/17 AT 100.00000						
CUSIP· 89236TDG7						
MOODY'S Aa3 S&P: AA-						***Accrued Interest: 62.94***
PRUDENTIAL FINANC VAR 18	**100,000.0000**	**102.1180**	**102,118.00**	**N/A**	**(5,277.00)**	**N/A**
DUE 08/10/18			*107,395.00*			N/A
CUSIP 74432RAN3						
MOODY'S: Baa1 S&P: NR						

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*	Adjusted Cost Basis	Unrealized Gain or (Loss)	Estimated Annual Income / Yield to Maturity
MORGAN STANLEY VAR 19	**90,000.0000**	**101.8240**	**91,641.60**	**N/A**	**1,621.60**	**N/A**
DUE 02/15/19 CUSIP 61745E6M8 MOODY'S: A3 S&P: BBB+			*90,020.00*			N/A
MORGAN STANLEY VAR 19	**50,000.0000**	**101.2950**	**50,647.50**	**N/A**	**2,877.50**	**N/A**
DUE 03/30/19 CUSIP 61760QAH7 MOODY'S: A3 S&P: BBB+			*47,770.00*			N/A
MORGAN STANLEY VAR 19	**95,000.0000**	**101.0410**	**95,988.95**	**N/A**	**14,268.95**	**N/A**
DUE 11/30/19 CUSIP: 61745EV99 MOODY'S: A3 S&P: BBB+			*81,720.00*			N/A
BANK OF AMERICA C VAR 20	**50,000.0000**	**101.1330**	**50,566.50**	**N/A**	**(390.50)**	**N/A**
DUE 05/28/20 CUSIP 06048WCC2 MOODY'S: Baa1 S&P: NR			*50,957.00* [a]			N/A
PRUDENTIAL FINANC VAR 20	**250,000.0000**	**100.9440**	**252,360.00**	**N/A**	**(863.00)**	**N/A**
DUE 11/02/20 CUSIP 74432RAB9 MOODY'S: Baa1 S&P: A			*253,223.00*			N/A

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Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*	Adjusted Cost Basis	Unrealized Gain or (Loss)	Estimated Annual Income / Yield to Maturity
BARCLAYS BANK 3.464%21F	**250,000.0000**	**101.5080**	**253,770.00**	**N/A**	**3,750.00**	**N/A**
DUE 02/09/21 CUSIP: 06738KBW0 MOODY'S: A1 S&P: NR			*250,020.00*			N/A
BANK OF AMERICA C VAR 21	**80,000.0000**	**100.8970**	**80,717.60**	**N/A**	**5,597.60**	**N/A**
DUE 02/25/21 CUSIP: 06048WFK1 MOODY'S: Baa1 S&P: BBB+			*75,120.00*			N/A
BANK OF AMERICA C VAR 21	**40,000.0000**	**101.0810**	**40,432.40**	**N/A**	**12.40**	**N/A**
DUE 03/11/21 CUSIP 06048WFM7 MOODY'S: Baa1 S&P: BBB+			*40,420.00* [a]			N/A
JPMORGAN CHASE & VAR 21	**200,000.0000**	**102.3650**	**204,730.00**	**N/A**	**4,710.00**	**N/A**
DUE 03/30/21 CUSIP: 48125XKB1 MOODY'S: A3 S&P: A-			*200,020.00* [a]			N/A
GOLDMAN SACHS GRO VAR 21	**100,000.0000**	**103.3990**	**103,399.00**	**N/A**	**379.00**	**N/A**
DUE 04/13/21 CUSIP: 38143UTN1 MOODY'S A3 S&P: BBB+			*103,020.00*			N/A

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Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*	Adjusted Cost Basis	Unrealized Gain or (Loss)	Estimated Annual Income / Yield to Maturity
GOLDMAN SACHS GRO VAR 23	**50,000.0000**	**100.1550**	**50,077.50**	**N/A**	**(755.00)**	**N/A**
DUE 08/30/23 CUSIP: 38147QPN0 MOODY'S: A3 S&P: BBB+			*50,832.50*			N/A
GOLDMAN SACHS GRO VAR 23	**100,000.0000**	**97.7493**	**97,749.30**	**N/A**	**(2,270.70)**	**N/A**
DUE 10/17/23 CUSIP 38147QYN0 MOODY'S: A3 S&P: BBB+			*100,020.00*			N/A
GOLDMAN SACHS GRO VAR 24	**100,000.0000**	**100.6020**	**100,602.00**	**N/A**	**4,242.00**	**N/A**
DUE 01/28/24 CUSIP: 38147QDP8 MOODY'S: A3 S&P: BBB+			*96,360.00*			N/A
BANK OF AMERICA C VAR 24	**100,000.0000**	**93.2576**	**93,257.60**	**N/A**	**(2,775.40)**	**N/A**
DUE 11/19/24 CUSIP: 06048WPY0 MOODY'S: Baa1 S&P: BBB+			*96,033.00*			N/A
CITIGROUP INC VAR 24	**250,000.0000**	**98.9272**	**247,318.00**	**N/A**	**(2,702.00)**	**N/A**
DUE 12/11/24 CUSIP 1730T0D55 MOODY'S: Baa1 S&P: BBB+			*250,020.00*			N/A

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Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*	Adjusted Cost Basis	Unrealized Gain or (Loss)	Estimated Annual Income / Yield to Maturity
TORONTO DOMINION B 2%25F	**150,000.0000**	**99.9132**	**149,869.80**	**148,895.00**	**974.80**	**3,000.00**
DUE 01/30/25			*148,895.00*			2.09%
CALLABLE 01/30/17 AT 100.00000						
CUSIP. 89114QSG4						
MOODY'S: Aa1 S&P: AA-						***Accrued Interest: 508.33***
CITIGROUP INC VAR 25	**250,000.0000**	**97.4330**	**243,582.50**	**N/A**	**(6,437.50)**	**N/A**
DUE 03/27/25			*250,020.00*			N/A
CUSIP. 1730T06D6						
MOODY'S Baa1 S&P. BBB+						
RICOH USA INC. 6.75%25	**50,000.0000**	**98.6250**	**49,312.50**	**50,736.38**	**(1,423.88)** [b]	**3,375.00**
DUE 12/01/25			*50,770.00*			6.53%
CUSIP. 451713AA9						
MOODY'S WR S&P: NR						***Accrued Interest: 281.25***
GOLDMAN SACHS GRO VAR 28	**100,000.0000**	**76.7843**	**76,784.30**	**N/A**	**(6,110.70)**	**N/A**
DUE 10/25/28			*82,895.00*			N/A
CALLABLE 01/25/17 AT 100.00000						
CUSIP. 38147QC20						
MOODY'S NR S&P: BBB+						

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Schwab One® Account of
ARMSTRONG MCDONALD FOUNDATION

Account Number
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Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value / *Cost Basis*	Adjusted Cost Basis	Unrealized Gain or (Loss)	Estimated Annual Income / Yield to Maturity
GOLDMAN SACHS GRO VAR 35 DUE 05/15/35 CUSIP: 38148T3B3 MOODY'S: A3 S&P: BBB+	**110,000.0000**	**94.0043**	**103,404.73** *110,020.00*	**N/A**	**(6,615.27)**	**N/A** N/A

[redacted]

Total Accrued Interest for Corporate Bonds: 852.52

Mortgage Pools	Par	Market Price	Market Value / *Cost Basis*	Adjusted Cost Basis	Unrealized Gain or (Loss)	Estimated Annual Income / Yield to Maturity
FHLMC G80331 11%21 DUE 02/17/21 CUSIP. 31335PLL7 MOODY'S NR S&P: NR FACTOR= .010735160 REMAIN PRIN=$48,308.22	**4,500,000.0000**	**115.6762**	**55,881.11** *54,844.60*	**N/A**	**1,036.51**	**N/A** N/A

[redacted]

Investment Detail - Fixed Income (continued)

CMO & Asset Backed Securities	Par	Market Price	Market Value / *Cost Basis*	Adjusted Cost Basis	Unrealized Gain or (Loss)	Estimated Annual Income / Yield to Maturity
BNSF RAILWAY COM 6.23%18	**385,000.0000**	**103.5160**	**14,028.51**	**N/A**	**(859.00)**	**N/A**
MBS-CMO DUE 07/02/18 BNSF-- CUSIP: 12189PAD4 MOODY'S: Aa2 S&P: AA FACTOR= .035200042 REMAIN PRIN=$13,552.02			*14,887.51* [a]			N/A
UNION PACIFIC R 3.227%26	**125,000.0000**	**98.5260**	**114,684.54**	**N/A**	**(3,935.00)**	**N/A**
ABS-SPCL DUE 05/14/26 -- CUSIP 907825AA1 MOODY'S: Aa2 S&P. AA FACTOR= .931202247 REMAIN PRIN=$116,400.28			*118,619 54*			N/A

[redacted]

[redacted]

Accrued Interest represents the interest that would be received if the fixed income investment was sold prior to the coupon payment.

Investment Detail - Fixed Income (continued)

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Investment Detail - Equities

Equities	Quantity	Market Price	Market Value *Cost Basis*	Unrealized Gain or (Loss)	Estimated Yield	Estimated Annual Income
ALPHABET INC. CLASS A SYMBOL GOOGL	**800.0000**	**792.4500**	**633,960.00** *436,225 08*	**197,734.92**	**N/A**	**N/A**
APPLE INC SYMBOL: AAPL	**5,000.0000**	**115.8200**	**579,100.00** *316,909 25*	**262,190.75**	**1.96%**	**11,400.00**
BERKSHIRE HATHAWAY CLASS B SYMBOL: BRKB	**5,000.0000**	**162.9800**	**814,900.00** *305,183 85* [a]	**509,716.15**	**N/A**	**N/A**
BROADRIDGE FINL SOLU SYMBOL: BR	**10,000.0000**	**66.3000**	**663,000.00** *545,159.95*	**117,840.05**	**1.99%**	**13,200.00** ***Accrued Dividend: 3,300.00***
CASTLE BRANDS INC SYMBOL ROX	**270,000.0000**	**0.7600**	**205,200.00** *243,415 80*	**(38,215.80)**	**N/A**	**N/A**
CHEVRON CORPORATION SYMBOL CVX	**6,400.0000**	**117.7000**	**753,280.00** *576,466.99* [a]	**176,813.01**	**3.67%**	**27,648.00**
COMCAST CORPORATION CLASS A SYMBOL· CMCSA	**8,000.0000**	**69.0500**	**552,400.00** *364,464.82*	**187,935.18**	**1.59%**	**8,800.00**

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Investment Detail - Equities (continued)

Equities (continued)	Quantity	Market Price	Market Value / *Cost Basis*	Unrealized Gain or (Loss)	Estimated Yield	Estimated Annual Income
EQUITY COMMONWEALTH SYMBOL: EQC	16,000.0000	30.2400	483,840.00 *471,842.42*	11,997.58	N/A	N/A
FACEBOOK INC CLASS A SYMBOL. FB	4,000.0000	115.0500	460,200.00 *449,098.55*	11,101.45	N/A	N/A
GOLDMAN SACHS GROUP SYMBOL. GS	3,400.0000	239.4500	814,130.00 *494,476 18*	319,653.82	1.08%	8,840.00
HOME DEPOT INC SYMBOL· HD	4,500.0000	134.0800	603,360.00 *343,212.64*	260,147.36	2.05%	12,420.00
ILLINOIS TOOL WORKS SYMBOL· ITW	3,000.0000	122.4600	367,380.00 *121,018.35* [a]	246,361.65	2.12%	7,800.00
LOCKHEED MARTIN CORP SYMBOL: LMT	2,500.0000	249.9400	624,850.00 *611,980.45*	12,869.55	2.91%	18,200.00
MARRIOTT INTL INC CLASS A SYMBOL: MAR	6,055.0000	82.6800	500,627.40 *424,232.49*	76,394.91	1.45%	7,266.00
MIDDLEBY CORP THE SYMBOL· MIDD	3,000.0000	128.8100	386,430.00 *277,306.14*	109,123.86	N/A	N/A
NOVO-NORDISK A-S F ADR 1 ADR REPS 1 ORD SHS SYMBOL· NVO	10,000.0000	35.8600	358,600.00 *74,089.20* [a]	284,510.80	2.52%	9,069.18

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Investment Detail - Equities (continued)

Equities (continued)	Quantity	Market Price	Market Value / *Cost Basis*	Unrealized Gain or (Loss)	Estimated Yield	Estimated Annual Income
NOVOCURE LTD F SYMBOL: NVCR	46,000.0000	7.8500	361,100.00 *699,563.60*	(338,463.60)	N/A	N/A
NXP SEMICONDUCTORS F TENDER OFFER EXP: 02/06/17 SYMBOL: NXPI	3,500.0000	98.0100	343,035.00 *345,407.85*	(2,372.85)	N/A	N/A
OPKO HEALTH INC SYMBOL: OPK	40,000.0000	9.3000	372,000.00 *429,360.58*	(57,360.58)	N/A	N/A
PALO ALTO NETWORKS SYMBOL. PANW	3,000.0000	125.0500	375,150.00 *383,408.65*	(8,258.65)	N/A	N/A
STARBUCKS CORP SYMBOL SBUX	7,300.0000	55.5200	405,296.00 *235,884.12*	169,411.88	1.80%	7,300.00
VERIZON COMMUNICATN SYMBOL: VZ	8,000.0000	53.3800	427,040.00 *224,620.10* [a]	202,419.90	4.32%	18,480.00
VISA INC CLASS A SYMBOL: V	8,000.0000	78.0200	624,160.00 *539,706.45*	84,453.55	0.84%	5,280.00
WALT DISNEY CO SYMBOL. DIS	7,500.0000	104.2200	781,650.00 *725,535.85*	56,114.15	1.36%	10,650.00
						Accrued Dividend: 5,850.00
WISDOMTREE INVESTMNT SYMBOL: WETF	39,400.0000	11.1400	438,916.00 *512,576.26*	(73,660.26)	2.87%	12,608.00

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Investment Detail - Equities (continued)

Equities (continued)	Quantity	Market Price	Market Value / *Cost Basis*	Unrealized Gain or (Loss)	Estimated Yield	Estimated Annual Income
ZILLOW GROUP INC	21,800.0000	36.4500	794,610.00	196,975.54	N/A	N/A
CLASS A			*597,634.46*			
SYMBOL. ZG						

[redacted]

Total Accrued Dividend for Equities: 9,150.00

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Investment Detail - Other Assets

Other Assets	Quantity	Market Price	Market Value / *Cost Basis*	Unrealized Gain or (Loss)	Estimated Yield	Estimated Annual Income
SPDR S&P BIOTECH ETF	8,000.0000	59.1900	473,520.00	20,107.05	0.12%	585.92
SYMBOL: XBI			*453,412.95*			

[redacted]

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