

For calendar year 2016, or tax year beginning 01-01-2016, and ending 12-31-2016

Name of foundation WALLACE RESEARCH FOUNDATION C/O RSM US LLP ATTN CARLEY UMSTEAD		A Employer identification number 42-6540579	
Number and street (or P O box number if mail is not delivered to street address) 201 FIRST ST SE NO 800		Room/suite	B Telephone number (see instructions) (319) 298-5333
City or town, state or province, country, and ZIP or foreign postal code CEDAR RAPIDS, IA 52401		C If exemption application is pending, check here ☐	
G Check all that apply ☐ Initial return ☐ Final return ☒ Address change ☐ Initial return of a former public charity ☐ Amended return ☐ 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) \$ 79,965,566	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))		(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 . . .	1,825,491	1,825,491		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	1,888,336			
	b Gross sales price for all assets on line 6a 25,097,787				
	7 Capital gain net income (from Part IV, line 2) . . .		1,888,336		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)				
	12 Total. Add lines 1 through 11	3,713,827	3,713,827		
	13 Compensation of officers, directors, trustees, etc	0	0		0
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	55,808	17,614		38,194
	c Other professional fees (attach schedule)	403,089	403,089		0
	17 Interest				
	18 Taxes (attach schedule) (see instructions) . . .	64,721	44,721		0
	19 Depreciation (attach schedule) and depletion . . .				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	7,518	6,027		1,491
	24 Total operating and administrative expenses. Add lines 13 through 23	531,136	471,451		39,685
	25 Contributions, gifts, grants paid	4,049,376			4,049,376
	26 Total expenses and disbursements. Add lines 24 and 25	4,580,512	471,451		4,089,061
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	-866,685			
	b Net investment income (if negative, enter -0-)		3,242,376		
c Adjusted net income (if negative, enter -0-)					

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 (a) Book Value	End of year (b) Book Value (c) Fair Market Value		
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	6,377,586	6,555,232	6,555,232
	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			
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	34,666,852	28,767,462	42,113,741
	c	Investments—corporate bonds (attach schedule)	3,803,474	4,534,824	4,470,881
	11	Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	23,220,116	27,341,481	26,780,260
	14	Land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
15	Other assets (describe ▶ _____)	39,304	45,452	45,452	
16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	68,107,332	67,244,451	79,965,566	
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 (attach schedule)			
	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 ▶ ☐ 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	0	0	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund	0	0	
	29	Retained earnings, accumulated income, endowment, or other funds	68,107,332	67,244,451	
30	Total net assets or fund balances (see instructions)	68,107,332	67,244,451		
31	Total liabilities and net assets/fund balances (see instructions) .	68,107,332	67,244,451		

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	68,107,332
2	Enter amount from Part I, line 27a	2	-866,685
3	Other increases not included in line 2 (itemize) ▶ _____	3	3,804
4	Add lines 1, 2, and 3	4	67,244,451
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	67,244,451

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)
1 a PUBLICLY TRADED SECURITIES	P		
b PUBLICLY TRADED SECURITIES	P		
c BANK OF AMERICA SETTLEMENT	P		
d CAPITAL GAINS DIVIDENDS	P		
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 10,529,559		11,361,465	-831,906
b 14,299,542		11,847,986	2,451,556
c 3,408			3,408
d 265,278			265,278
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) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			-831,906
b			2,451,556
c			3,408
d			265,278
e			

2 Capital gain net income or (net capital loss)	2	1,888,336
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	

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 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	3,929,636	81,834,914	0 048019
2014	3,296,223	81,700,907	0 040345
2013	2,922,773	77,636,385	0 037647
2012	4,157,179	74,746,776	0 055617
2011	3,518,346	75,433,652	0 046642
2 Total of line 1, column (d)			0 228270
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			0 045654
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5			77,301,079
5 Multiply line 4 by line 3			3,529,103
6 Enter 1% of net investment income (1% of Part I, line 27b)			32,424
7 Add lines 5 and 6			3,561,527
8 Enter qualifying distributions from Part XII, line 4			4,089,061

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 ☒ and enter 1% of Part I, line 27b	1	32,424
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0
3	Add lines 1 and 2.	3	32,424
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	32,424
6	Credits/Payments		
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	21,757
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	30,000
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d.	7	51,757
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	19,333
11	Enter the amount of line 10 to be Credited to 2017 estimated tax ▶ 19,333 Refunded ▶	11	0

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a	No
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)? <i>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</i>	1b	No
c Did the foundation file Form 1120-POL for this year?	1c	No
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? <i>If "Yes," attach a detailed description of the activities</i>	2	No
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? <i>If "Yes," attach a conformed copy of the changes</i>	3	No
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	No
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? <i>If "Yes," attach the statement required by General Instruction T</i>	5	No
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	Yes
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	7	Yes
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ <u>IA</u>		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation</i> .	8b	Yes
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)? <i>If "Yes," complete Part XIV</i>	9	No
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10	No

Part VII-A Statements Regarding Activities (continued)

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		No
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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	Yes	
14	The books are in care of ► CARLEY UMSTEAD Telephone no ► (319) 298-5333			

Located at **►** 201 FIRST STREET SE STE 800 CEDAR RAPIDS IA ZIP+4 **►** 52401

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			
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 instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes," enter the name of the foreign country ►	16	Yes	No

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.

1a	During the year did the foundation (either directly or indirectly)		Yes	No
(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)? ☐ Organizations relying on a current notice regarding disaster assistance check here. ► ☐	1b		No
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		No
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 ► 20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions). ☐	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 ► 20____, 20____, 20____, 20____			
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		No
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		No

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)? ☐ Yes ☒ No 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)	5b		
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? ☐ Yes ☒ No If "Yes" to 6b, file Form 8870	6b		No
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? ☐ Yes ☒ No	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	Title, and average hours per week (b) devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances
HENRY D WALLACE 201 FIRST ST SE STE 800 CEDAR RAPIDS, IA 52401	PRESIDENT & SECRETARY 5 00	0	0	1,491
LINDA WALLACE-GRAY 201 FIRST ST SE STE 800 CEDAR RAPIDS, IA 52401	VP & TREASURER 20 00	0	0	0
ANGUS GILCHRIST 201 FIRST ST SE STE 800 CEDAR RAPIDS, IA 52401	DIRECTOR 2 00	0	0	0
ALEX GILCHRIST 201 FIRST ST SE STE 800 CEDAR RAPIDS, IA 52401	DIRECTOR 2 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	Title, and average hours per week (b) devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) 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
EAGLE CAPITAL MANAGEMENT 499 PARK AVENUE NEW YORK, NY 10022	INVESTMENT MGMT	193,584
MORGAN STANLEY SMITH BARNEY 370 17TH STREET STE 2800 DENVER, CO 80202		

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	
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. **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	72,701,920
b	Average of monthly cash balances.	1b	5,776,333
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	78,478,253
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	78,478,253
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	1,177,174
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	77,301,079
6	Minimum investment return. Enter 5% of line 5.	6	3,865,054

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	3,865,054
2a	Tax on investment income for 2016 from Part VI, line 5.	2a	32,424
b	Income tax for 2016 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	32,424
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	3,832,630
4	Recoveries of amounts treated as qualifying distributions.	4	3,804
5	Add lines 3 and 4.	5	3,836,434
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	3,836,434

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	4,089,061
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	4,089,061
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	32,424
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	4,056,637

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				3,836,434
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only.			4,034,122	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2016				
a From 2011.				
b From 2012.				
c From 2013.				
d From 2014.				
e From 2015.				
f Total of lines 3a through e.	0			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ \$ <u>4,089,061</u>				
a Applied to 2015, but not more than line 2a			4,034,122	
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.				54,939
e Remaining amount distributed out of corpus	0			
5 Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a))	0			0
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.		0		
d Subtract line 6c from line 6b Taxable amount—see instructions		0		
e Undistributed income for 2015 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2017				3,781,495
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 (see instructions).	0			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9				
a Excess from 2012.				
b Excess from 2013.				
c Excess from 2014.				
d Excess from 2015.				
e Excess from 2016.				

b Check box to indicate whether the organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)Form **990-PF** (2016)

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 <i>Paid during the year</i> See Additional Data Table				
Total			▶ 3a	4,049,376
b <i>Approved for future payment</i>				
Total			▶ 3b	0

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
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	1,825,491	
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	1,888,336	
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). .		0		3,713,827	0
13 Total. Add line 12, columns (b), (d), and (e).			13		3,713,827

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

Part XVII

- | | Yes | No |
|-------|-----|----|
| 1a(1) | | No |
| 1a(2) | | No |
| 1b(1) | | No |
| 1b(2) | | No |
| 1b(3) | | No |
| 1b(4) | | No |
| 1b(5) | | No |
| 1b(6) | | No |
| 1c | | No |

[illegible]

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

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Print/Type preparer's name CARLEY UMSTEAD	Preparer's Signature	Date	Check if self-employed ☐	PTIN P00982177
Firm's name ▶ RSM US LLP				Firm's EIN ▶ 42-0714325
Firm's address ▶ 201 FIRST STREET SE STE 800 CEDAR RAPIDS, IA 52401				Phone no (319) 298-5333

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
ARCHAEOLOGY SOUTHWEST 4550 CAMINITO CALLADO TUCSON, AZ 85718	NONE	PC	TO CONTRIBUTE TO THE ENDOWMENT OF THE PRESERVATION ARCHAEOLOGY FUTURE FUND	500,000
ARCHAEOLOGY SOUTHWEST 4550 CAMINITO CALLADO TUCSON, AZ 85718	NONE	PC	FOR PUBLIC OUTREACH, SITE PROTECTION AND INSTITUTIONAL SUPPORT IN REGARDS TO THE GILA RIVER WATERSHED	200,000
ARIZONA GREYHOUND AND ANIMAL RESCUE FUND 8987 E TANQUE VERDE RD PMB 309- 153 TUCSON, AZ 85749	NONE	PC	TO FACILITATE CONTINUED RESCUE OF GREYHOUNDS	40,000
ARIZONA STATE UNIVERSITY PO BOX 876011 TEMPE, AZ 85287	NONE	PC	FUNDING RESEARCH OF INTERACTIONS AMONG PREHISPANIC CULTURES	75,000
ASAVET VETERINARY CLINIC 5408 SOUTH 12TH AVENUE TUCSON, AZ 85706	NONE	PC	TO FUND MEDICAL SUPPLIES FOR VETERINARY OPERATIONS	10,000
Total ► 3a				4,049,376

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
ASPCA 520 8TH AVENUE 7TH FL NEW YORK, NY 10018	NONE	PC	TO SUPPORT A NEW BEHAVIORAL REHABILITATION CENTER FOR REHABILITATION OF AT-RISK DOGS	25,000
BIODIVERSITY RESEARCH INSTITUTE PO BOX 195 RAY BROOK, NY 12977	NONE	PC	TO ASSIST IN CREATING LOON-RELATED EDUCATIONAL EXHIBITS & COVERING PERSONNEL EXPENSES	12,000
CAMP SPRING CREEK 44 WALNUT AVENUE SPRUCE PINE, NC 28777	NONE	PC	TO SUPPORT A CAMP THAT SERVES CHILDREN WITH DYSLEXIA	30,000
CATSKILL MOUNTAIN KEEPER PO BOX 1000 LIVINGSTON MANOR, NY 12578	NONE	PC	TO FIGHT EXPANSION OF FOSSIL FUEL INFRASTRUCTURE, TO HELP ACHIEVE CLEAN & RENEWABLE ENERGY IN NY	100,000
CONQUER CHIARI 320 OSPREY CT WEXFORD, PA 15090	NONE	PC	FOR RESEARCH OF CHIARI MALFORMATION	78,641
Total 				4,049,376
3a				

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
CORAL RESTORATION FOUNDATION 5 SEAGATE BOULEVARD KEY LARGO, FL 33037	NONE	PC	TO SUPPORT THE SALARY OF THE NEWLY HIRED EXECUTIVE DIRECTOR	140,000
FRIENDS OF SOUTH GEORGIA ISLAND 25 DAKOTA MEADOWS DRIVE CARBONDALE, CO 81623	NONE	PC	TO MONITOR THE ERADICATION OF INVASIVE RODENTS ON SOUTH GEORGIA ISLAND	30,000
HAWK MOUNTAIN SANCTUARY ASSOCIATION 1700 HAWK MOUNTAIN RD KEMPTON, PA 19529	NONE	PC	TO STUDY THE MOVEMENT ECOLOGY OF NEW & OLD WORLD SCAVENGING BIRDS OF PREY	98,500
HUMANE SOCIETY INTERNATIONAL 2100 L STREET NW WASHINGTON, DC 20037	NONE	PC	TO SUPPORT VETERINARY OUTREACH AND ANIMAL RESCUE & CARE IN COSTA RICA	81,850
HUMANE SOCIETY INTERNATIONAL 2100 L STREET NW WASHINGTON, DC 20037	NONE	PC	TO SUPPORT VETERINARY OUTREACH ACROSS BELIZE	85,000
Total ► 3a				4,049,376

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
HUMANE SOCIETY OF SOUTHERN ARIZONA 3450 N KELVIN BLVD TUCSON, AZ 85716	NONE	PC	TO SUPPORT SPAY AND NEUTER SURGERIES & THE SECOND CHANCE FUND	70,000
MASSACHUSETTS AUDUBON SOCIETY 208 S GREAT RD LINCOLN, MA 01773	NONE	PC	TO PROTECT HABITAT AT PAYNE'S CREEK NATIONAL PARK, TO HELP WITH FIRE CONTROL & ROAD ACCESS	180,000
MASSACHUSETTS GENERAL HOSPITAL 125 NASHUA STREET SUITE 540 BOSTON, MA 02114	NONE	PC	TO RESEARCH FUNCTIONAL & SYSTEMS MEDICINE PRACTICES	130,000
OCCIDENTAL COLLEGE 1600 CAMPUS RD LOS ANGELES, CA 90041	NONE	PC	TO SUPPORT RESEARCH EFFORTS FOR SPECIES DIVERSITY IN MEXICAN KINGSNAKES	22,845
POUGHKEEPSIE FARM PROJECT PO BOX 3143 POUGHKEEPSIE, NY 12603	NONE	PC	TO FUND FARM EQUIPMENT PURCHASES, REPAIRS, IMPROVEMENTS, & MAINTENANCE	110,000
Total 3a				4,049,376

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
RADIATION AND PUBLIC HEALTH PROJECT INC 716 SIMPSON AVENUE OCEAN CITY, NJ 08226	NONE	PC	TO SUPPORT VARIOUS HEALTH RESEARCH & EDUCATION PROJECTS	50,000
RANCHO FELIZ CHARITABLE FOUNDATION 6910 E FIFTH AVENUE SCOTTSDALE, AZ 85251	NONE	PC	TO SUPPORT BOTANICAL, ETHNOBOTANICAL & NEW FOOD CROPS RESEARCH IN THE SONORAN DESERT REGION	25,000
REGIONAL FOOD BANK 965 ALBANY-SHAKER RD LATHAM, NY 12110	NONE	PC	TO SUPPORT THE RETAIL STORE DONATION PROGRAM ADMINISTERED THROUGH THE FOOD BANK OF THE HUDSON VALLEY BRANCH	75,000
RIVERKEEPER INC 20 SECOR RD OSSINING, NY 10562	NONE	PC	TO SUPPORT EFFORTS TO DEFEND AND RESTORE THE HUDSON RIVER & ENGAGE COMMUNITIES AROUND THESE ISSUES	80,000
RURAL & MIGRANT MINISTRY INC PO BOX 4757 POUGHKEEPSIE, NY 12602	NONE	PC	TO FUND GENERAL PROGRAM DEVELOPMENT OF A RURAL YOUTH LEADERSHIP/DEVELOPMENT PROGRAM	204,500
Total 3a				4,049,376

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
SAFINA CENTER SOMAS NASSAU HALL 111 STONY BROOK, NY 11794	NONE	PC	TO ADVANCE OCEAN CONSERVATION BY FUNDING THREE FELLOWSHIPS	60,000
SARSEF 3247 N CHRISTMAS AVE TUCSON, AZ 85716	NONE	PC	TO SUPPORT STEM EDUCATIONAL OUTREACH TO K-12 STUDENTS IN UNDER-SERVED & RURAL AREAS IN AZ	75,000
SHUMLA PO BOX 627 COMSTOCK, TX 78837	NONE	PC	TO CONDUCT/PROMOTE PRESERVATION & RESEARCH IN THE LOWER PECOS CANYONLANDS OF SOUTHWEST TX & MEXICO	100,000
SPD FOUNDATION 5420 S QUEBEC ST STE 135 GREENWOOD VILLAGE, CO 80111	NONE	PC	TO SUPPORT FINAL SPD SCIENTIFIC WORK GROUP(SWG) MEETING & TO PRODUCE A JOURNAL OF SWG'S FINDINGS	60,000
THE NATURE CONSERVANCY - ALASKA 715 L ST STE 100 ANCHORAGE, AK 99501	NONE	PC	FOR GENERAL SUPPORT OF CONSERVATION EFFORTS IN ALASKA	80,000
Total 3a				4,049,376

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
THE NATURE CONSERVANCY - ARIZONA 7600 N 15TH ST STE 100 PHOENIX, AZ 85020	NONE	PC	FOR CAPITAL NEEDS TO IMPROVE ARIZONA PRESERVES	75,000
THE NATURE CONSERVANCY - TENNESSEE 210 25TH AVENUE NORTH STE 810 NASHVILLE, TN 37203	NONE	PC	FOR CAVE CONSERVATION AND WHITE NOSE SYNDROME RESEARCH IN TENNESSEE	50,000
TOHONO CHUL PARK 7366 PASEO DEL NORTE TUCSON, AZ 85704	NONE	PC	TO SUPPORT THE SOLAR POWER PROJECT, CONSERVATION EDUCATION AND GARDENS AND FACILITIES PROGRAMS	250,000
TOHONO CHUL PARK 7366 PASEO DEL NORTE TUCSON, AZ 85704	NONE	PC	TO SUPPORT THE PURCHASE AND INSTALLATION OF SOLAR POWER FOR TOHONO CHUL PARK FACILITIES	68,000
TUCSON BOTANICAL GARDENS 2150 N ALVERNON WAY TUCSON, AZ 85712	NONE	PC	TO BUILD THE GARDENS' APIARY EXHIBIT AND SUPPORT BUILDING THE GARDENS' PLANT COLLECTION	35,000
Total 3a				4,049,376

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
UNION OF CONCERNED SCIENTISTS TWO BRATTLE SQUARE CAMBRIDGE, MA 02138	NONE	PC	TO IMPROVE ACCOUNTABILITY OF CHEMICAL PLANTS & PROTECT PUBLIC HEALTH IN HOUSTON AREA	15,000
UNIVERSITY OF ARIZONA 1303 E UNIVERSITY BLVD BOX 3 TUCSON, AZ 85719	NONE	PC	FOR FUNDING RESEARCH OF THE LONGTERM EFFECTS OF URBAN DEVELOPMENT ON REPTILES	30,000
UNIVERSITY OF ARIZONA 1303 E UNIVERSITY BLVD BOX 3 TUCSON, AZ 85719	NONE	PC	FOR FUNDING RESEARCH OF HYPERMOBILE EHLERS-DANLOS SYNDROME	196,090
UNIVERSITY OF NORTH CAROLINA - CHAPEL HILL 104 AIRPORT DRIVE SUITE 2200 CB 1350 CHAPEL HILL, NC 27599	NONE	PC	TO SUPPORT INHERIT PROGRAM-ARCHAEOLOGICAL RESEARCH & PRESERVATION OF MAYA HERITAGE	45,000
URBANPROMISE INTERNATIONAL INC PO BOX 156 PENNSAUKEN, NJ 08110	NONE	PC	TO FUND AND EXPAND EXPERIENTIAL LEARNING PROGRAMS FOR INNER CITY YOUTH	198,000
Total ► 3a				4,049,376

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
WILDCOAST 925 SEACOAST DR IMPERIAL BEACH, CA 91932	NONE	PC	TO SUPPORT CONSERVATION OF COASTAL ECOSYSTEMS AND WILDLIFE ON MEXICO'S PACIFIC COASTLINE	55,000
WILDLIFE ALLIANCE INC 1441 BROADWAY FIFTH FLOOR NEW YORK, NY 10018	NONE	PC	TO COMBAT ILLEGAL WILDLIFE TRADE IN CAMBODIA/SE ASIA & TO CARE FOR/RELEASE WILDLIFE RESCUED	85,000
YALE UNIVERSITY PO BOX 1873 NEW HAVEN, CT 06508	NONE	PC	TO FUND A PILOT RESEARCH PROGRAM TO ADVANCE THE PRACTICE OF ACADEMIC INTEGRATIVE MEDICINE	98,950
ZOOLOGICAL SOCIETY OF SAN DIEGO PO BOX 120551 SAN DIEGO, CA 92112	NONE	PC	TO SUPPORT THE TROPICAL ECOLOGY AND MANAGEMENT FIELD COURSE	20,000
Total ▶ 3a				4,049,376

TY 2016 Accounting Fees Schedule

Name: WALLACE RESEARCH FOUNDATION
C/O RSM US LLP ATTN CARLEY UMSTEAD
EIN: 42-6540579

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	55,808	17,614		38,194

TY 2016 Investments Corporate Bonds Schedule**Name:** WALLACE RESEARCH FOUNDATION

C/O RSM US LLP ATTN CARLEY UMSTEAD

EIN: 42-6540579

Name of Bond	End of Year Book Value	End of Year Fair Market Value
VERIZON COMMUNICATIONS	259,986	258,255
FORD MOTOR CREDIT CO LLC	253,723	252,985
AT&T INC	270,070	268,808
PITNEY BOWES INC	271,339	268,860
TIME WARNER INC	109,026	106,747
AMEGEN INC	260,400	259,038
JP MORGAN CHASE & CO	270,403	269,183
GENERAL MILLS INC	257,014	255,358
CVS HEALTH CORP	260,790	256,873
HARLEY-DAVIDSON INC	256,371	250,305
CELGENE CORP	254,186	253,578
GMAC CAP TRUST I 8.125% TO 2/1/16 FLOATS AFTER	113,312	113,817
CITIGROUP CAPT XIII 7.875% FIX ED 10/30/15 FLOATS AFTER	56,738	55,874
AEGON NV 8%	33,629	32,406
RAYMOND JAMES FINANCIAL	39,275	37,653
HARTFORD FINL SVC GRP 7.875% TO 4/15/22 FLOATS AFTER	76,406	75,497
AMERICAN FINANCIAL GROUP	19,424	18,563
AFFILIATED MANAGERS GROUP INC 6.375%	38,460	37,572
REINSURANCE GROUP AMERICA INC	78,405	76,976
APOLLO INVESTMENT CORP 6.625%	9,470	9,565

Name of Bond	End of Year Book Value	End of Year Fair Market Value
SOLAR CAPITAL LTD 6.75%	9,264	9,745
APOLLO INVESTMENT CORP6.875%	28,303	27,974
QWEST CORP 6.875%	58,079	53,942
AMTRUST FINANCIAL SERVICES INC 7.50%	9,179	9,448
QWEST CORP 6.625%	18,994	17,891
AMERICAN FINANCIAL GROUP	9,047	8,900
TELEPHONE & DATA SYSTEMS	57,276	56,849
UNITED STATE CELLULAR CORP 7.25%	9,498	9,325
UNITED STATES CELLULAR CORP 7.25%	18,893	19,361
ASSURED GUARNITY MUNI HLDGS INC NT MTY	28,423	28,239
ANHEUSER-BUSCH INBEV FIN	257,526	254,433
BANK OF AMERICA CORP	239,326	233,831
PACKAGING CORP OF AMERICA	230,272	225,923
OM ASSET MANAGEMENT PLC NT 31	44,279	38,835
ALLSTATE CORP 5.1 FIXED TO 01/23 THEN FLOATS	77,583	74,856
EBAY INC 6	36,982	37,898
BERKLEY CORP	20,579	19,792
WR BERKLEY CORP	9,669	8,832
REINSURANCE GRP OF AMERICA	83,633	83,439
TORCHMARK CORP	18,933	18,980

Name of Bond	End of Year Book Value	End of Year Fair Market Value
WESTERN ALLIANCE BANCORPORATION 6.25	20,509	19,863
QWEST CORP 6.5	60,150	54,612

TY 2016 Investments Corporate Stock Schedule

Name: WALLACE RESEARCH FOUNDATION
C/O RSM US LLP ATTN CARLEY UMSTEAD
EIN: 42-6540579

Name of Stock	End of Year Book Value	End of Year Fair Market Value
FIRST TR ISE WTR INDEX FD	482,031	553,910
FIRST TRUST AMEX BIOTECH	1,996,450	2,520,829
FIRST TRUST ENERGY INFRASTRU	1,722,680	1,537,825
SPDR S&P DIVIDEND	2,390,728	3,165,720
SPDR S&P MIDCAP 400 ETF TRUST	2,119,110	5,521,659
VANGUARD HEALTH CARE ETF	2,788,596	3,639,567
VANGUARD RUSSELL 1000	3,377,373	4,061,838
VANGUARD S&P SMALL CAP 600 ETF	1,846,291	1,992,160
AEGON NV 6.3750% SERIES	9,713	9,465
AEGON NV SERIES 1	17,910	17,909
ALLSTATE CORP 6.625%-E	23,867	22,688
ALLSTATE CORP DEP SHS 1/1000	9,426	8,977
ARCH CAPTIAL GRP LTD 6.75%	22,273	22,351
ASPEN INSURANCE HLDG LTD	37,230	36,522
BANK OF AMERICA CORP 6.5%-Y	38,051	36,698
BANK OF AMERICAN 6.625%-W	37,177	37,511
CAPITAL ONE FINL CORP 6.70%-D	38,624	37,694
CHS INC	75,644	76,186
CHS INC	78,513	75,394
CITIGROUP INC 6.875%-K	75,295	76,771
CITIGRP INC 7.125%	17,679	18,914
DIGITAL REALITY TRUST 7.375%-H	38,308	38,254
ENDURANCE SPECIALTY 6.35%-C	9,052	9,147
EPR PPTYS PRF CONV SER F%	9,516	9,399
F N B CORP FLA DEP SHS REPSTG	38,654	39,041
FIFTH THIRD BANCORP 6.625%-I	55,876	56,489
GOLDMAN SACHS GROUP PFD D	27,015	28,955
GOLDMAN SACHS GRP INC 5.50%-J	54,920	56,806
GOLDMAN SACHS GRP INC 6.375%-K	55,078	57,835
ING GROEP NV 6.375%	28,672	28,408

Name of Stock	End of Year Book Value	End of Year Fair Market Value
ING GROEP NV 6.2% SER	27,374	28,445
JP MORGAN CHASE & CO 6.1%-Y	18,493	18,589
JPMORGAN CHASE & CO 6.125%-T	9,208	9,227
JPMORGAN CHASE & CO 6.70%-T	18,730	18,728
MORGAN STANLEY 6.375%-I	76,644	73,511
MORGAN STANLEY 6.875%-F	74,847	73,522
MORGAN STANLEY 7.125%-E	56,529	57,188
MORGAN STANLEY SER-A	17,344	20,171
NATIONAL RETAIL PROP 6.625%-D	56,659	56,498
PARTNERRE LTD 7.25%	74,490	74,884
PNC FINL P 6.125% FLTS 5/01/22	128,766	132,520
PS BUSN PARKS 6.00% SER T	48,383	46,456
REGENCY CENTERS 6.625% SER 6	38,642	37,951
REGIONS FINANCIAL CO 6.375%-B	18,647	18,359
ROYAL BK SCOTLAND GRP PLC 6.60	63,696	65,130
STATE ST CO 5.90-D FXD-TO-FLT	38,150	37,718
SYNOVUS FIN CP 7.875 PFD	19,775	19,347
US BANCORP 6%-G FLTS 4/15/17	65,008	60,882
US BANCORP-F 6.5% FLTS 1/15/22	64,506	65,746
VALLEY NATL BANCORP SER-A	18,213	18,415
VEREIT INC PFD SER F	36,641	38,289
WELLS FARGO & COMPANY 6.625%-R	124,437	119,538
WELLS FARGO 8% NON-CUM SER J	39,205	36,711
WINTRUST FINANCIAL CORP	46,575	46,437
ZIONS BANCORP 6.30%	47,309	46,974
ZIONS BANCORP PFD 7.9% SER F	10,000	9,334
ALPHABET INC CL C	620,221	1,089,038
AMAZON COM INC	319,339	806,110
AON PLC SHS CL-A	416,395	946,221
BANK OF AMERICA CORP	432,150	590,070

Name of Stock	End of Year Book Value	End of Year Fair Market Value
BERKLEY W R CORP	107,914	265,907
BERKSHIRE HATHAWAY CL-B NEW	871,388	1,422,001
CITIGROUP INC NEW	715,019	903,336
DISH NETWORK CLASS A	597,031	712,539
ECOLAB INC	333,786	890,872
GOLDMAN SACHS GRP INC	254,523	562,708
JPMORGAN CHASE & CO	445,119	664,433
LIBERTY GLOBAL PLC CL C NEW	351,268	1,046,509
LIBERTY GLOBAL PLC LILAC C	69,381	130,344
MICROSOFT CORP	499,477	1,099,878
MONDELEZ INTL INC COM	290,218	598,455
MORGAN STANLEY	147,344	426,725
ORACLE CORP	987,811	1,195,795
PEPSICO INC NC	352,623	575,465
THERMO FISHER SCIENTIFIC	152,054	437,410
TWENTY-FIRST CENTURY FOX CL B	582,489	502,763
UNITEDHEALTH GP INC	127,669	693,453
FERROVIAL S A ADR	0	36
AMER HOMES 4 RENT 6.35 SER-E	19,503	19,093
AMERICAN HMS 4 RENT PFD D 6.5	9,310	9,175
AMTRUST FINL SERV INC 6.95 S-F	19,790	18,233
ARCH CAP GROUP LTD 5.25	22,182	19,080
ASPEN INSURANCE HOLDING 5.625	40,381	35,938
BANK OF AMERICA CORP 6.2 CC	37,140	37,229
CHARLES SCHWAB CORP 5.95 D	39,408	37,410
CHS INC/RED PFD CL BS4	19,029	18,265
CITIGROUP INC 6.3	18,383	18,393
DUPONT FABROS TECH INC SER C	9,047	8,911
HUNTINGTON BANCSHARES 6.25	28,453	27,704
JP MORGAN CHASE & CO 6.3	19,224	18,561

Name of Stock	End of Year Book Value	End of Year Fair Market Value
KEYCORP 6.125 SER-E	37,555	38,874
KEYCORP NEW PFD SER C	100,790	93,625
PEOPLES UNITED FIN INC SER A	39,894	39,576
ROYAL BK SCOT GRP PLC ADS 5.75	19,048	17,898
SANTANDER FINANCE PRF SA FLR	17,680	18,842
SCE TRUST IV 5.375	9,489	9,082
SCE TRUST V 5.45	18,808	18,389
STIFEL FINANCIAL CORP 6.25	19,021	18,222
WELLS FARGO & CO 5.5 SER-X	9,462	8,591
WELLS FARGO & CO 5.7 SER-2	19,479	18,313
FIDELITY NATL INFORMATION SE	208,365	268,522
ILG INC COM	16,297	25,838
MARRIOTT INTL INC NEW CL A	536,482	684,417

TY 2016 Investments - Other Schedule**Name:** WALLACE RESEARCH FOUNDATION

C/O RSM US LLP ATTN CARLEY UMSTEAD

EIN: 42-6540579

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
JP MORGAN STRAT INC OPP SEL	AT COST	4,264,310	4,156,704
LOOMIS SAYLES STRATEGIX INC Y	AT COST	4,184,156	3,669,344
LORD ABBETT FLT RT F	AT COST	2,401,628	2,379,354
LORD ABBETT SHT DURATION INC F	AT COST	4,904,430	4,599,971
MAINSTAY HI YLD CORP BOND I	AT COST	2,998,215	3,567,267
MATTHEWS ASIA DIVIDEND INV	AT COST	1,591,340	1,553,024
ARTISAN FUNDS INC MID CAP VALUE FD INV SHS ARTQX	AT COST	21,743	25,058
ARTISAN FDS INC INTERNAITIONAL FUND INV ARTIX	AT COST	24,833	29,965
DIAMOND HILL LONG-SHORT FUND CL I DHLSX	AT COST	37,557	58,839
DODGE & COX INCOME FD DODIX	AT COST	97,897	101,496
HARRIS ASSOC INVT TR OAKMARK INTL FUND CL I OAKIX	AT COST	21,453	34,950
JPMORGAN MID CAP VALUE FUND CL I FLMVX	AT COST	16,994	28,127
ROYCE FUND PENNSYLVANIA MUTUAL FD INVESTMENT CL PENNX	AT COST	32,742	40,512
PIMCO FDS PAC INVT MGMT SER EMERGING MKTS BD RD INSTL CL PEBIX	AT COST	13,840	12,656
PRINCIPAL FUNDS INC PREFERRED SECURITIES INSTAL CLASS PPSIX	AT COST	29,323	28,971
TEMPLETON INCOME TR GLOBAL BD FD ADVISOR CL TGBAX	AT COST	13,428	12,753
TWEEDY BROWNE FD INC GLOBAL VALUE FD TBGVX	AT COST	18,328	23,139
VANGUARD GNMA FD CL I VFIIX	AT COST	19,285	19,455
FIRST EAGLE OVERSEAS 1	AT COST	6,649,979	6,438,675

TY 2016 Other Assets Schedule

Name: WALLACE RESEARCH FOUNDATION

C/O RSM US LLP ATTN CARLEY UMSTEAD

EIN: 42-6540579

Other Assets Schedule

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
DIVIDEND RECEIVABLE	39,304	45,452	45,452

TY 2016 Other Expenses Schedule

Name: WALLACE RESEARCH FOUNDATION
C/O RSM US LLP ATTN CARLEY UMSTEAD
EIN: 42-6540579

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
BANK SERVICE CHARGES	281	281		0
ADR FEES	5,746	5,746		0
GRANTMAKING EXPENSES	1,491	0		1,491

TY 2016 Other Increases Schedule

Name: WALLACE RESEARCH FOUNDATION
C/O RSM US LLP ATTN CARLEY UMSTEAD
EIN: 42-6540579

Description	Amount
RETURN OF PRIOR YEAR GRANTS	3,804

TY 2016 Other Professional Fees Schedule

Name: WALLACE RESEARCH FOUNDATION
C/O RSM US LLP ATTN CARLEY UMSTEAD

EIN: 42-6540579

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
SB INVEST CONSULTING FEES	149,786	149,786		0
INVESTMENT MANAGEMENT FEES	253,303	253,303		0

TY 2016 Taxes Schedule

Name: WALLACE RESEARCH FOUNDATION
C/O RSM US LLP ATTN CARLEY UMSTEAD

EIN: 42-6540579

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FOREIGN TAXES	44,721	44,721		0
EXCISE TAXES	20,000	0		0