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: Herscher Foundation, Inc.

A Employer identification number: 55-6018744

Number and street (or P O box number if mail is not delivered to street address): c/o Charles Jarrell, 2612 Larwood Drive

Room/suite:

B Telephone number (see instructions): 304-545-6983

City or town, state or province, country, and ZIP or foreign postal code: Charleston, WV 25302

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)* ▶ $ 2,574,759

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	56,638	56,638		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	(1,445			
	b	Gross sales price for all assets on line 6a 1,354,835				
	7	Capital gain net income (from Part IV, line 2)		0		
	8	Net short-term capital gain			0	
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less: Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)	0			
	11	Other income (attach schedule)	2,927			
	12	**Total.** Add lines 1 through 11	58,120	56,638	0	
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)	3,344	3,344		
	b	Accounting fees (attach schedule)				
	c	Other professional fees (attach schedule)	18,003	17,103		900
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	1,000			
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)	1,025	1,025		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	23,372	21,472	0	900
	25	Contributions, gifts, grants paid	137,500			137,500
	26	**Total expenses and disbursements.** Add lines 24 and 25	160,872	21,472	0	138,400
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	(102,752			
	b	**Net investment income** (if negative, enter -0-)		35,166		
	c	**Adjusted net income** (if negative, enter -0-)			0	

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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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
1	Cash—non-interest-bearing			
2	Savings and temporary cash investments	118,473	2,281	2,281
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)			
c	Investments—corporate bonds (attach schedule)			
11	Investments—land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
12	Investments—mortgage loans			
13	Investments—other (attach schedule)	2,389,191	2,403,008	2,572,478
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)	2,507,664	2,405,289	2,574,759
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	
	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	1,950,430	1,953,357	
28	Paid-in or capital surplus, or land, bldg , and equipment fund	557,234	451,932	
29	Retained earnings, accumulated income, endowment, or other funds			
30	**Total net assets or fund balances** (see instructions)	2,507,664	2,405,289	
31	**Total liabilities and net assets/fund balances** (see instructions)	2,507,664	2,405,289	

(Section labels: Assets — lines 1–16; Liabilities — lines 17–23; Net Assets or Fund Balances — lines 24–31)

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	2,507,664
2	Enter amount from Part I, line 27a	2	(102,752)
3	Other increases not included in line 2 (itemize) ▶ Adj for acc income	3	377
4	Add lines 1, 2, and 3	4	2,405,289
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	2,405,289

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 attached statement			
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				0
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				
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	(1,445)
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	(641)

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	132,399	2,645,483	0.0500
2014	136,468	2,771,257	0.0492
2013	126,439	2,664,137	0.0475
2012	122,998	2,511,480	0.0490
2011	120,000	2,577,215	0.0466

2	Total of line 1, column (d)	2	0.2423
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	.0485
4	Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	2,526,516
5	Multiply line 4 by line 3	5	122,536
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	352
7	Add lines 5 and 6	7	122,888
8	Enter qualifying distributions from Part XII, line 4	8	138,400

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	352
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	
3	Add lines 1 and 2	3	352
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-	5	352
6	Credits/Payments:		
a	2016 estimated tax payments and 2015 overpayment credited to 2016 — 6a: 3,979		
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	3,979
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	0
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	3,627
11	Enter the amount of line 10 to be: **Credited to 2017 estimated tax** ▶ 3,627 **Refunded** ▶	11	0

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1b		X
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation. ▶ $ ______ **(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) ▶ West Virginia			
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 ▶ NA

14 The books are in care of ▶ United Bank Trust Department Telephone no. ▶ 304-348-8400
Located at ▶ United Center, Virginia St., Charleston, WV ZIP+4 ▶ 25301

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 ▶ 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		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	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See attached schedule				

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
NONE		
Total number of others receiving over $50,000 for professional services ▶		0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 N/A	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 ▶	0

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	2,520,913
b	Average of monthly cash balances	1b	44,078
c	Fair market value of all other assets (see instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	2,564,991
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	
3	Subtract line 2 from line 1d	3	2,564,991
4	Cash deemed held for charitable activities Enter 1½% of line 3 (for greater amount, see instructions)	4	38,475
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,526,516
6	**Minimum investment return.** Enter 5% of line 5	6	126,326

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	126,326
2a	Tax on investment income for 2016 from Part VI, line 5	2a	352		
b	Income tax for 2016. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	352
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	125,974
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	125,974
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	125,974

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	138,400
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	138,400
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	362
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	138,038

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					125,974
2 Undistributed income, if any, as of the end of 2016:					
a Enter amount for 2015 only					
b Total for prior years 20___,20___,20___					
3 Excess distributions carryover, if any, to 2016:					
a From 2011					
b From 2012					
c From 2013					
d From 2014					
e From 2015	15,383				
f **Total** of lines 3a through e		15,383			
4 Qualifying distributions for 2016 from Part XII, line 4. ▶ $ 138,400					
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					110,591
e Remaining amount distributed out of corpus		27,809			
5 Excess distributions carryover applied to 2016 *(If an amount appears in column (d), the same amount must be shown in column (a).)*		15,383			15,383
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		27,809			
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					
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					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)					
9 **Excess distributions carryover to 2017.** Subtract lines 7 and 8 from line 6a		27,809			
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	27,809				

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					0
b 85% of line 2a	0	0	0	0	0
c Qualifying distributions from Part XII, line 4 for each year listed					0
d Amounts included in line 2c not used directly for active conduct of exempt activities					0
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c	0	0	0	0	0
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter (1) Value of all assets					0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					0
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)					0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0
(3) Largest amount of support from an exempt organization					0
(4) Gross investment income					0

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:

Charles L. Jarrell, 2612 Larwood Drive, Charleston, WV 25302 304-545-6983

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

No prescribed form. Proof of exempt status and all information relevant to proposed grant.

c Any submission deadlines:

None

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

Limited generally to state of W.Va. and adjacent areas in Ohio; grants not made to individuals

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.				
Total			▶ **3a**	0
b *Approved for future payment*				
Total			▶ **3b**	0

Part XVI-A Analysis of Income-Producing Activities

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	56,638	
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	(1,445)	
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		55,193	0

13 Total. Add line 12, columns (b), (d), and (e) . . . 13 55,193

(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)
	N/A

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

[signature] 5-11-17 President

Signature of officer or trustee — Date — Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
John F. Allevato	[signature]	5-9-17		P01083380
Firm's name ► Spilman Thomas & Battle, PLLC			Firm's EIN ► 55-0282458	
Firm's address ► P.O. Box 273, Charleston, WV 25321-0273			Phone no 304-340-3885	

HERSCHER FOUNDATION, INC.
E.I.N. 55-6018744
TAX YEAR 2016

FORM 990-PF

PART I - ANALYSIS OF REVENUE AND EXPENSES

Line 11—Other income	Return of principal—mutual fund distributions	$2,927
Line 16a-Legal Fees	Preparation of Tax Returns and related legal services	$3,344
Line 16c-Other Professional Fees	United Bank, prof. mgt. fees	$18,003
Line 18-Taxes	Estimated tax payments made in 2016	$ 1,000
Line 23-Other membership fees	WV license fee for corps; philanthropy organization	$1,025

Herscher Foundation, Inc.
E.I.N. 55-6018744
Tax Year 2016
Form 990-PF

Part II-Balance Sheet-Line 13-Investments (other)(stocks and mutual funds):

	Beginning of Year	End of Year	
	Book Value	*Book Value*	*Fair Market Value*
5778 152 units Pimco All Asset All Auth Fund	$ 40,052	$ 56,493	$ 48,479
319 shs Baxter Intl Stock	$ 12,118	$ -	$ -
1765 shs Ford Motor	$ -	$ 23,206	$ 21,409
219 shs United Parcel Service stock	$ 17,531	$ 17,314	$ 25,106
495 shs Coca-Cola Enterprises stock	$ 23,520	$ -	$ -
2603 112 units Prudential Jennison Mid Cap Fund	$ 91,644	$ -	$ -
5955 465 units Natixis Vaughn Nelson Small Cap fd	$ 112,960	$ 124,892	$ 121,253
4819 663 units AQR Funds Mgd Futures Strat Fd	$ 48,845	$ 48,534	$ 44,823
7167 985 units AQR Funds Multi Strat Alt Fd	$ 105,413	$ 73,246	$ 68,096
6001 328 units Blackrock Emer Mkts Long/Sht Eq Fd	$ 61,624	$ -	$ -
557 shs ITC Holdings Corp stock	$ 14,068	$ -	$ -
241 shs McDonalds stock	$ 23,142	$ -	$ -
1000 shs Holly Frontier stock	$ -	$ 26,522	$ 32,760
425 shs Microsoft Corp stock	$ 16,004	$ 13,347	$ 26,409
12,753 451 units Northern Lights Fd MLP Strat Fd	$ 16,043	$ 93,932	$ 112,868
269 shs Phillip Morris Intl stock	$ 24,317	$ -	$ -
243 shs Chevron stock	$ 17,469	$ 21,267	$ 28,601
1049 shs Cabot Oil and Gas	$ 22,373	$ 28,002	$ 24,505
150 shs Amgen stock	$ -	$ 25,894	$ 21,932
566 shs Abbott Labs stock	$ 15,978	$ 18,726	$ 21,740
593 shs AT&T stock	$ 18,062	$ 16,574	$ 25,220
453 shs Qualcomm stock	$ 20,783	$ 28,322	$ 29,536
12,830 424 units Vanguard Hi Yld Div Index Fd	$ 213,253	$ 294,889	$ 384,528
272 shs T Rowe Price stock	$ 17,688	$ -	$ -
188 shs Raytheon stock	$ -	$ 23,170	$ 26,696
434 shs Merck & Co stock	$ 21,384	$ 24,734	$ 25,550
218 shs Apple stock	$ 13,499	$ 16,877	$ 25,249
825 shs Cisco stock	$ 17,366	$ 17,541	$ 24,931
565 shs International Paper stock	$ -	$ 23,102	$ 29,979
319 shs Baxalta stock	$ 10,327	$ -	$ -
12,028 297 units Winslow Osterweis Strat Inc Fd	$ 141,151	$ -	$ -
594 206 units Vanguard Russell 2000 Indx Fd	$ 79,821	$ 105,282	$ 122,704
2704 727 units Vanguard Growth Idx Fd	$ 183,616	$ 152,168	$ 155,008
1889 373 units Federated Intl Leaders Fd	$ 64,565	$ -	$ -
1680 441 units Voya Global Real Estate Fund	$ 29,773	$ -	$ -
18,281 659 units Doubleline Total Ret Bond Fund	$ 110,158	$ 201,649	$ 194,151
285 shs. Union Pacific stock	$ -	$ 22,525	$ 29,549
4886 920 units Federated Total Return Instl Fd	$ 53,836	$ -	$ -
18,010 049 units Vanguard Total Bd Mkt Indx Fd	$ 100,131	$ 197,118	$ 191,807
13,738 820 units Goldman Sachs Trust Strategic Inc Fd	$ 141,653	$ -	$ -
2091 289 units Diamond Hill Long Short Fund	$ 54,763	$ 49,707	$ 53,181
6798 656 units Driehaus Active Income Fund	$ 73,132	$ -	$ -
4959 001 units John Hancock Fd Global Abs Ret Fd	$ 40,747	$ 54,144	$ 50,284
449 shs Dow Chemical stock	$ -	$ 23,224	$ 25,692
574 973 units RS Natural Resources Y Class	$ 14,796	$ -	$ -
2952 383 units Vanguard Mid Cap Index Fund	$ -	$ 101,769	$ 106,256
2810 124 units Matthews Asia Grth Fd	$ 61,065	$ -	$ -
20,516 306 units Federated Instl Hi Yld Bond	$ -	$ 202,906	$ 202,291
2422 764 units Harding Loevner Instl. Emer Mkt	$ 123,068	$ 40,557	$ 40,799
2072 694 units Oppenheimer Intl Small Co Fund	$ -	$ 74,357	$ 76,234
1896.512 units Harbor Intl Fund	$ 121,453		
8684 916 units Harding Loevner Intl Eq Instl Class	$ -	$ 161,018	$ 154,852
Totals-Line 10b	**$ 2,389,191**	**$ 2,403,008**	**$ 2,572,478**

Herscher Foundation, Inc.
E.I.N. 55-6018744
Tax Year 2016
Form 990-PF

Part IV

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE/ COST	GAIN OR LOSS
SHORT TERM CAPITAL GAIN (LOSS)			
68.905 SHARES OF BLACKROCK INC EMERGING MARKETS LONG/SHORT EQUITY FUND	03/28/2016 12/16/2015	668.38 653.91	14.47
8390.918 SHARES OF GOLDMAN SACHS TRUST STRATEGIC INCOME CL I	03/28/2016 05/26/2015	79,042.45 85,007.00	(5,964.55)
.001 SHARES OF BLACKROCK INC EMERGING MARKETS LONG/SHORT EQUITY FUND	04/07/2016 12/16/2015	0.01 0.01	0.00
1.299 SHARES OF FEDERATED TOTAL RETURN INSTL SHS #328	04/07/2016 12/31/2015	14.11 13.81	0.30
558.977 SHARES OF VANGUARD GROWTH INDEX FUND	04/07/2016 11/10/2015	30,548.11 31,448.05	(899.94)
2189.713 SHARES OF WINSLOW OSTERWEIS STRATEGIC INCOME FUND ORIG. ACQ DATE 03/28/2016	10/13/2016 03/28/2016	24,502.89 23,101.47	1,401.42
4658.932 SHARES OF WINSLOW OSTERWEIS STRATEGIC INCOME FUND ORIG. ACQ DATE 04/07/2016	10/13/2016 04/07/2016	52,133.45 49,431.27	2,702.18
209.755 SHARES OF PRUDENTIAL JENNISON MID CAP GROWTH SHARE CLASS Z CLOSED TO NEW INVESTORS ORIG. ACQ DATE 12/16/2015	10/13/2016 12/16/2015	7,601.52 7,580.55	20.97

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE/ COST	GAIN OR LOSS
SHORT TERM CAPITAL GAIN (LOSS) - CONTINUED			
198.888 SHARES OF PRUDENTIAL JENNISON MID CAP GROWTH SHARE CLASS Z CLOSED TO NEW INVESTORS ORIG. ACQ DATE 04/07/2016	10/13/2016 04/07/2016	7,207.70 7,016.84	190.86
55.325 SHARES OF HARBOR INTERNATIONAL FUND ORIG. ACQ DATE 12/17/2015	10/13/2016 12/17/2015	3,360.44 3,263.63	96.81
806.855 SHARES OF MATTHEWS ASIA GROWTH FUND ORIG. ACQ DATE 04/07/2016	10/13/2016 04/07/2016	18,589.94 16,718.03	1,871.91
954.944 SHARES OF AQR FUNDS MANAGED FUTURES STRATEGY CLASS I ORIG. ACQ DATE 12/03/2015	10/13/2016 12/03/2015	9,406.20 10,237.00	(830.80)
26.973 SHARES OF AQR FUNDS MANAGED FUTURES STRATEGY CLASS I ORIG. ACQ DATE 12/22/2015	10/13/2016 12/22/2015	265.68 274.85	(9.17)
68.056 SHARES OF AQR FUNDS MANAGED FUTURES STRATEGY CLASS I ORIG. ACQ DATE 12/22/2015	10/13/2016 12/22/2015	670.35 693.49	(23.14)
108.423 SHARES OF AQR FUNDS MANAGED FUTURES STRATEGY CLASS I ORIG. ACQ DATE 03/28/2016	10/13/2016 03/28/2016	1,067.97 1,103.75	(35.78)

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE/ COST	GAIN OR LOSS
SHORT TERM CAPITAL GAIN (LOSS) - CONTINUED			
.067 SHARES OF HARDING LOEVNER EMERGING MARKET PORT ADVISOR CLASS ORIG. ACQ DATE 12/21/2015	12/01/2016 12/21/2015	2.94 2.62	0.32
46 SHARES OF T ROWE PRICE GROUP INC ORIG. ACQ DATE 03/28/2016	12/06/2016 03/28/2016	3,494.39 3,358.03	136.36
TOTAL SHORT TERM CAPITAL GAIN (LOSS)		238,576.53 239,904.31	(1,327.78)

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE/ COST	GAIN OR LOSS
LONG TERM CAPITAL GAIN (LOSS)			
5491.245 SHARES OF BLACKROCK INC EMERGING MARKETS LONG/SHORT EQUITY FUND	03/28/2016 02/25/2014	53,265.08 56,395.08	(3,130.00)
441.177 SHARES OF BLACKROCK INC EMERGING MARKETS LONG/SHORT EQUITY FUND	03/28/2016 08/11/2014	4,279.42 4,575.34	(295.92)
5001.979 SHARES OF GOLDMAN SACHS TRUST STRATEGIC INCOME CL I	03/28/2016 02/25/2014	47,118.64 53,071.00	(5,952.36)
165.844 SHARES OF GOLDMAN SACHS TRUST STRATEGIC INCOME CL I	03/28/2016 08/11/2014	1,562.25 1,748.19	(185.94)
180.079 SHARES OF GOLDMAN SACHS TRUST STRATEGIC INCOME CL I	03/28/2016 02/12/2015	1,696.34 1,826.71	(130.37)
574.973 SHARES OF RS NATURAL RESOURCES Y CLASS	03/28/2016 02/12/2015	10,257.52 14,795.91	(4,538.39)
1198.497 SHARES OF VOYA GLOBAL REAL ESTATE FUND CLASS I	03/28/2016 08/23/2012	23,850.09 20,698.04	3,152.05
481.944 SHARES OF VOYA GLOBAL REAL ESTATE FUND CLASS I	03/28/2016 02/25/2014	9,590.68 9,075.00	515.68
57 SHARES OF AT&T INC COMMON STOCK	03/28/2016 02/06/2009	2,217.87 1,487.66	730.21
205 SHARES OF BAXALTA INC COMMON STOCK	03/28/2016 09/17/2013	8,158.16 6,757.50	1,400.66

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE/ COST	GAIN OR LOSS
LONG TERM CAPITAL GAIN (LOSS) - CONTINUED			
82 SHARES OF	03/28/2016	3,263.27	759.45
BAXALTA INC COMMON STOCK	09/27/2013	2,503.82	
15 SHARES OF	03/28/2016	596.94	81.94
BAXALTA INC COMMON STOCK	08/11/2014	515.00	
17 SHARES OF	03/28/2016	676.53	125.97
BAXALTA INC COMMON STOCK	02/12/2015	550.56	
205 SHARES OF	03/28/2016	8,242.66	312.87
BAXTER INTERNATIONAL INC	09/17/2013	7,929.79	
82 SHARES OF	03/28/2016	3,297.07	358.90
BAXTER INTERNATIONAL INC	09/27/2013	2,938.17	
15 SHARES OF	03/28/2016	603.12	(1.23)
BAXTER INTERNATIONAL INC	08/11/2014	604.35	
17 SHARES OF	03/28/2016	683.54	37.49
BAXTER INTERNATIONAL INC	02/12/2015	646.05	
30 SHARES OF	03/28/2016	1,500.93	69.82
COCA COLA ENTERPRISES NEW COMMON	03/06/2014	1,431.11	
156 SHARES OF	03/28/2016	19,239.27	4,254.86
MCDONALDS CORP COMMON	12/07/2011	14,984.41	
55 SHARES OF	03/28/2016	6,783.08	1,438.52
MCDONALDS CORP COMMON	09/27/2013	5,344.56	
30 SHARES OF	03/28/2016	3,699.86	886.46
MCDONALDS CORP COMMON	08/11/2014	2,813.40	
104 SHARES OF	03/28/2016	5,568.07	2,910.76
MICROSOFT CORP	03/28/2011	2,657.31	

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE/ COST	GAIN OR LOSS
LONG TERM CAPITAL GAIN (LOSS) - CONTINUED			
182 SHARES OF PHILIP MORRIS INTL INC	03/28/2016 10/03/2012	17,837.47 16,866.38	971.09
54 SHARES OF PHILIP MORRIS INTL INC	03/28/2016 09/27/2013	5,292.44 4,719.89	572.55
15 SHARES OF PHILIP MORRIS INTL INC	03/28/2016 02/14/2014	1,470.12 1,205.33	264.79
18 SHARES OF PHILIP MORRIS INTL INC	03/28/2016 08/11/2014	1,764.14 1,525.53	238.61
3 SHARES OF UNITED PARCEL SERVICE INC	03/28/2016 01/06/2011	308.52 217.29	91.23
423 SHARES OF ITC HOLDINGS CORP COMMON	03/28/2016 02/18/2011	17,932.28 9,605.62	8,326.66
78 SHARES OF ITC HOLDINGS CORP COMMON	03/28/2016 09/27/2013	3,306.66 2,432.32	874.34
56 SHARES OF ITC HOLDINGS CORP COMMON	03/28/2016 08/11/2014	2,374.02 2,030.34	343.68
3213.44 SHARES OF DRIEHAUS FUNDS ACTIVE INCOME FUND CLASS A (CLOSED TO NEW INVESTORS)	04/07/2016 03/06/2013	31,459.58 34,608.75	(3,149.17)
3271.814 SHARES OF DRIEHAUS FUNDS ACTIVE INCOME FUND CLASS A (CLOSED TO NEW INVESTORS)	04/07/2016 10/25/2013	32,031.06 35,179.00	(3,147.94)

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE/ COST	GAIN OR LOSS
LONG TERM CAPITAL GAIN (LOSS) - CONTINUED			
313.402 SHARES OF DRIEHAUS FUNDS ACTIVE INCOME FUND CLASS A (CLOSED TO NEW INVESTORS)	04/07/2016 08/11/2014	3,068.20 3,344.40	(276.20)
4526.34 SHARES OF FEDERATED TOTAL RETURN INSTL SHS #328	04/07/2016 02/25/2014	49,201.32 49,835.00	(633.68)
350.72 SHARES OF FEDERATED TOTAL RETURN INSTL SHS #328	04/07/2016 08/11/2014	3,812.33 3,892.99	(80.66)
8.561 SHARES OF FEDERATED TOTAL RETURN INSTL SHS #328	04/07/2016 12/31/2014	93.06 94.43	(1.37)
1635.785 SHARES OF FEDERATED INTERNATIONAL LEADERS FUND #119	04/07/2016 02/25/2014	45,589.33 56,189.21	(10,599.88)
253.588 SHARES OF FEDERATED INTERNATIONAL LEADERS FUND #119	04/07/2016 08/11/2014	7,067.50 8,376.01	(1,308.51)
630.667 SHARES OF HARBOR INTERNATIONAL FUND	04/07/2016 03/06/2013	36,818.35 40,337.46	(3,519.11)
804.927 SHARES OF HARDING LOEVNER EMERGING MARKET PORT ADVISOR CLASS	04/07/2016 03/04/2010	32,494.92 34,120.85	(1,625.93)
403 SHARES OF COCA-COLA EUROPEAN PARTNERS FOREIGN STOCK	08/04/2016 03/06/2014	14,703.68 15,561.85	(858.17)

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE/ COST	GAIN OR LOSS
LONG TERM CAPITAL GAIN (LOSS) - CONTINUED			
62 SHARES OF COCA-COLA EUROPEAN PARTNERS FOREIGN STOCK	08/04/2016 08/11/2014	2,262.10 2,394.13	(132.03)
1659.74 SHARES OF DIAMOND HILL LONG SHORT FUND 11 CLASS I	08/10/2016 03/06/2013	40,763.21 32,813.06	7,950.15
526.546 SHARES OF DIAMOND HILL LONG SHORT FUND 11 CLASS I	08/10/2016 06/05/2014	12,931.97 12,415.95	516.02
134.547 SHARES OF DOUBLELINE TOTAL RETURN BOND FUND CLASS I	08/10/2016 03/06/2013	1,473.29 1,527.11	(53.82)
760.311 SHARES OF WINSLOW OSTERWEIS STRATEGIC INCOME FUND	08/10/2016 09/27/2013	8,401.44 8,972.81	(571.37)
287.857 SHARES OF VANGUARD TOTAL BOND MARKET INDEX FUND ADMIRAL SHARES	08/10/2016 02/12/2015	3,200.97 3,149.20	51.77
47.66 SHARES OF WINSLOW OSTERWEIS STRATEGIC INCOME FUND ORIG. ACQ DATE 09/27/2013	10/13/2016 09/27/2013	533.32 562.46	(29.14)
3652.397 SHARES OF WINSLOW OSTERWEIS STRATEGIC INCOME FUND ORIG. ACQ DATE 10/25/2013	10/13/2016 10/25/2013	40,870.32 43,434.00	(2,563.68)

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE/ COST	GAIN OR LOSS
LONG TERM CAPITAL GAIN (LOSS) - CONTINUED			
125.189 SHARES OF WINSLOW OSTERWEIS STRATEGIC INCOME FUND ORIG. ACQ DATE 08/11/2014	10/13/2016 08/11/2014	1,400.86 1,491.17	(90.31)
146.603 SHARES OF WINSLOW OSTERWEIS STRATEGIC INCOME FUND ORIG. ACQ DATE 02/12/2015	10/13/2016 02/12/2015	1,640.49 1,683.24	(42.75)
7296.137 SHARES OF WINSLOW OSTERWEIS STRATEGIC INCOME FUND ORIG. ACQ DATE 05/26/2015	10/13/2016 05/26/2015	81,643.77 85,007.00	(3,363.23)
1028.691 SHARES OF PRUDENTIAL JENNISON MID CAP GROWTH SHARE CLASS Z CLOSED TO NEW INVESTORS ORIG. ACQ DATE 12/27/2012	10/13/2016 12/27/2012	37,279.76 33,072.50	4,207.26
790.42 SHARES OF PRUDENTIAL JENNISON MID CAP GROWTH SHARE CLASS Z CLOSED TO NEW INVESTORS ORIG. ACQ DATE 03/06/2013	10/13/2016 03/06/2013	28,644.82 27,577.75	1,067.07
25.308 SHARES OF PRUDENTIAL JENNISON MID CAP GROWTH SHARE CLASS Z CLOSED TO NEW INVESTORS ORIG. ACQ DATE 12/18/2014	10/13/2016 12/18/2014	917.16 1,005.24	(88.08)

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE/ COST	GAIN OR LOSS
LONG TERM CAPITAL GAIN (LOSS) - CONTINUED			
169.466 SHARES OF PRUDENTIAL JENNISON MID CAP GROWTH SHARE CLASS Z CLOSED TO NEW INVESTORS ORIG. ACQ DATE 12/18/2014	10/13/2016 12/18/2014	6,141.45 6,731.20	(589.75)
379.472 SHARES OF PRUDENTIAL JENNISON MID CAP GROWTH SHARE CLASS Z CLOSED TO NEW INVESTORS ORIG. ACQ DATE 02/12/2015	10/13/2016 02/12/2015	13,752.07 15,676.87	(1,924.80)
1094.018 SHARES OF HARBOR INTERNATIONAL FUND ORIG. ACQ DATE 03/06/2013	10/13/2016 03/06/2013	66,450.66 69,973.39	(3,522.73)
14.136 SHARES OF HARBOR INTERNATIONAL FUND ORIG. ACQ DATE 08/11/2014	10/13/2016 08/11/2014	858.62 999.19	(140.57)
102.366 SHARES OF HARBOR INTERNATIONAL FUND ORIG. ACQ DATE 02/12/2015	10/13/2016 02/12/2015	6,217.71 6,879.42	(661.71)
2810.124 SHARES OF MATTHEWS ASIA GROWTH FUND ORIG. ACQ DATE 02/12/2015	10/13/2016 02/12/2015	64,745.26 61,064.97	3,680.29
1302.776 SHARES OF AQR FUNDS MANAGED FUTURES STRATEGY CLASS I ORIG. ACQ DATE 09/27/2013	10/13/2016 09/27/2013	12,832.34 13,016.21	(183.87)

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE/ COST	GAIN OR LOSS
LONG TERM CAPITAL GAIN (LOSS) - CONTINUED			
2249.6 SHARES OF AQR FUNDS MANAGED FUTURES STRATEGY CLASS I ORIG. ACQ DATE 02/25/2014	10/13/2016 02/25/2014	22,158.56 22,675.97	(517.41)
120.421 SHARES OF AQR FUNDS MANAGED FUTURES STRATEGY CLASS I ORIG. ACQ DATE 12/22/2014	10/13/2016 12/22/2014	1,186.15 1,255.99	(69.84)
66.285 SHARES OF AQR FUNDS MANAGED FUTURES STRATEGY CLASS I ORIG. ACQ DATE 12/22/2014	10/13/2016 12/22/2014	652.91 691.35	(38.44)
53.61 SHARES OF HARDING LOEVNER EMERGING MARKET PORT ADVISOR CLASS ORIG. ACQ DATE 03/04/2010	12/01/2016 03/04/2010	2,351.33 2,272.53	78.80
562.84 SHARES OF HARDING LOEVNER EMERGING MARKET PORT ADVISOR CLASS ORIG. ACQ DATE 02/16/2011	12/01/2016 02/16/2011	24,686.16 27,612.93	(2,926.77)
560.015 SHARES OF HARDING LOEVNER EMERGING MARKET PORT ADVISOR CLASS ORIG. ACQ DATE 03/29/2012	12/01/2016 03/29/2012	24,562.26 27,283.93	(2,721.67)
538.017 SHARES OF HARDING LOEVNER EMERGING MARKET PORT ADVISOR CLASS ORIG. ACQ DATE 03/06/2013	12/01/2016 03/06/2013	23,597.43 26,303.65	(2,706.22)

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE/ COST	GAIN OR LOSS
LONG TERM CAPITAL GAIN (LOSS) - CONTINUED			
121.028 SHARES OF HARDING LOEVNER EMERGING MARKET PORT ADVISOR CLASS ORIG. ACQ DATE 12/19/2014	12/01/2016 12/19/2014	5,308.29 5,471.67	(163.38)
184 SHARES OF T ROWE PRICE GROUP INC ORIG. ACQ DATE 05/14/2012	12/06/2016 05/14/2012	13,977.53 11,053.07	2,924.46
46 SHARES OF T ROWE PRICE GROUP INC ORIG. ACQ DATE 09/27/2013	12/06/2016 09/27/2013	3,494.38 3,334.18	160.20
42 SHARES OF T ROWE PRICE GROUP INC ORIG. ACQ DATE 08/11/2014	12/06/2016 08/11/2014	3,190.52 3,300.31	(109.79)
3428.868 SHARES OF AQR FUNDS MULTI STRATEGY ALTERNATIVE FUND ORIG. ACQ DATE 02/12/2015 WASH SALE UNITS 172.090000	12/20/2016 02/12/2015	32,745.69 33,810.76 DISALLOWED LOSS	(1,065.07) 53.45
TOTAL LONG TERM CAPITAL GAIN (LOSS)		1,113,648.17 1,128,004.82	(14,303.20)

Additional items long term capital gain (loss)

Adjustment for amount of LTCL		(53 45)
Coca-Cola stock sold 6/1/2016		2,610.02
	1,116,258.19 1,128,004.82	(11,746.63)

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE/ COST	GAIN OR LOSS
SHORT TERM CAPITAL GAINS DIVIDENDS			
18002.059 BASIS SHARES OF VANGUARD TOTAL BOND MARKET INDEX FUND ADMIRAL SHARES			57.61
5645.934 BASIS SHARES OF NATIXIS VAUGHAN NELSON SMALL CAP VALUE FUND CLASS Y CLOSED TO NEW INVESTORS			628.96
TOTAL SHORT TERM CAPITAL GAINS DIVIDENDS		0.00 0.00	686.57

GAIN AND LOSS DETAIL

CUSIP #/ PROPERTY DESCRIPTION	DATE SOLD/ ACQUIRED	PROCEEDS OF SALE/ COST	GAIN OR LOSS
LONG TERM CAPITAL GAINS DIVIDENDS			
5540.192 BASIS SHARES OF NATIXIS VAUGHAN NELSON SMALL CAP VALUE FUND CLASS Y CLOSED TO NEW INVESTORS			1,855.78
2023.831 BASIS SHARES OF DIAMOND HILL LONG SHORT FUND 11 CLASS I			1,724.91
10424.763 BASIS SHARES OF AQR FUNDS MULTI STRATEGY ALTERNATIVE FUND			1,643.46
18002.059 BASIS SHARES OF VANGUARD TOTAL BOND MARKET INDEX FUND ADMIRAL SHARES			27.00
5645.934 BASIS SHARES OF NATIXIS VAUGHAN NELSON SMALL CAP VALUE FUND CLASS Y CLOSED TO NEW INVESTORS			5,691.67
TOTAL LONG TERM CAPITAL GAINS DIVIDENDS		0.00 0.00	10,942.82

SUMMARY OF CAPITAL GAINS AND LOSSES

TOTAL SHORT TERM CAPITAL GAIN (LOSS)	(1,327.78)	
TOTAL SHORT TERM CAPITAL GAINS DIVIDENDS	686.57	
NET SHORT TERM CAPITAL GAIN (LOSS)	(641.21)	(641.21)
TOTAL LONG TERM CAPITAL GAIN (LOSS)	11,746.63	
TOTAL LONG TERM CAPITAL GAINS DIVIDENDS	10,942.82	
TOTAL 28% RATE CAPITAL GAINS DIVIDENDS	0.00	
TOTAL SEC 1250 CAPITAL GAINS DIVIDENDS	0.00	
TOTAL SEC 1202 CAPITAL GAINS DIVIDENDS	0.00	
NET LONG TERM CAPITAL GAIN (LOSS)	(803.81)	(803.81)
NET CAPITAL GAIN (LOSS)		
TOTAL GAIN/LOSS FROM SALES WITH UNKNOWN COST/ACQUISITION DATE	0.00	(1445.02)

HERSCHER FOUNDATION, INC.
E.I.N. 55-6018744
TAX YEAR 2016
FORM 990-PF

PART VIII - INFORMATION ABOUT OFFICERS, DIRECTORS, FOUNDATION MANAGERS, ETC.

NAME AND ADDRESS	*TITLE AND TIME DEVOTED*	*CONTRIBUTIONS TO PLANS*	*EXPENSE ACCOUNT*	*COMPENSATION*
Charles L. Jarrell 2612 Larwood Drive Charleston, WV 25302	Trustee, President and Treasurer Part-Time	NONE	NONE	NONE
Michael Wehrle 3150 West Teal Rd Jackson, WY 83001	Trustee and Vice President Part-Time	NONE	NONE	NONE
Nelle R. Chilton P. O. Box 311 Charleston, WV 25321	Trustee Part-Time	NONE	NONE	NONE
Susie Salisbury 1116 Smith Street Charleston, WV 25301	Trustee Part-Time	NONE	NONE	NONE
Russell L. Isaacs P. O. Box 441 Charleston, WV 25322	Trustee Part-Time	NONE	NONE	NONE
Thomas A. Heywood 600 Quarrier Street Charleston, WV 25301	Trustee Part-Time	NONE	NONE	NONE
John F. Allevato 300 Kanawha Blvd., East Charleston, WV 25301	Secretary and Trustee Part-Time	NONE	NONE	NONE

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Herscher Foundation, Inc.
EIN 55-6018744
Tax Year 2016
Form 990-PF

PART XV-3A-GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

No recipients are individuals
All organizations listed are tax-exempt under Section 501(c)(3) of the IRC
All organizations located in Charleston, WV

EDUCATION

National Science Foundation-National Youth Science Camp	$	5,000
University of Charleston	$	15,000
Education Alliance	$	1,500
University of Charleston--Wehrle Innovation Center	$	10,000
Kanawha County Public Library	$	5,000
Subtotal	$	36,500

CULTURAL ACTIVITIES

Clay Center	$	15,000
WV Humanities Council	$	5,000
Festivall	$	5,000
West Virginia Symphony Orchestra	$	15,000
Buckskin Council-Boy Scouts	$	1,000
Black Diamond Council-Girl Scouts	$	500
West Virginia Public Broadcasting	$	10,000
Charleston Ballet	$	1,000
Subtotal	$	52,500

SOCIAL AND WELFARE SERVICES

American Red Cross	$	5,000
Covenant House	$	6,500
Childhood Language Center	$	1,000
Children's Home Society	$	5,000
Capital City Striders	$	500
Daymark	$	1,500
West Virginia Health Right	$	2,500
United Way of Kanawha Valley, Inc.	$	7,000
Greater Kanawha Valley Foundation	$	5,000
Charleston Gazette Charities	$	1,000
YWCA	$	7,500
Manna Meal	$	1,000
Salvation Army	$	5,000
Subtotal	$	48,500

TOTAL GRANTS AND CONTRIBUTIONS FOR 2016	$	137,500