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Return of Private Foundation

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

OMB No 1545-0052

2016

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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▶ Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

For calendar year 2016 or tax year beginning , and ending

Name of foundation WILLIAM S KNIGHT FOUNDATION, INC, c/o G G GRABOWSKI			A Employer identification number 81-0797771	
Number and street (or P.O. box number if mail is not delivered to street address) 15617 BETHANY CT		Room/suite	B Telephone number (see instructions) 608-368-1200	
City or town, state or province, country, and ZIP or foreign postal code SOUTH BELOIT IL 61080				
Foreign country name		Foreign province/state/county	Foreign postal code	
G Check all that apply: ☒ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change				
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation				
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 10,543,181		J Accounting method: ☐ Cash ☐ Accrual ☒ Other (specify) Modified Cash (Part I, column (d) must be on cash basis)		
C If exemption application is pending, check here ☐ D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐ E If private foundation status was terminated under section 507(b)(1)(A), check here ☐ F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐				

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (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)	10,508,358			
2 Check ☐ if the foundation is not required to attach Sch. B				
3 Interest on savings and temporary cash investments	6	6		
4 Dividends and interest from securities	117,622	117,622		
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	251,532			
b Gross sales price for all assets on line 6a 2,229,428				
7 Capital gain net income (from Part IV, line 2)		251,532		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less: Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	10,877,518	369,160	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)				
b Accounting fees (attach schedule)				
c Other professional fees (attach schedule)	25,457	14,247		11,210
17 Interest				
18 Taxes (attach schedule) (see instructions)	8,089	1,047		
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings	3,021	755		2,266
22 Printing and publications				
23 Other expenses (attach schedule)	3,952	989		2,963
24 Total operating and administrative expenses. Add lines 13 through 23	40,519	17,038	0	16,439
25 Contributions, gifts, grants paid	103,500			103,500
26 Total expenses and disbursements. Add lines 24 and 25	144,019	17,038	0	119,939
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	10,733,499			
b Net investment income (if negative, enter -0-)		352,122		
c Adjusted net income (if negative, enter -0-)			0	

For Paperwork Reduction Act Notice, see instructions.

Form **990-PF** (2016)

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1 Cash—non-interest-bearing		2,720	2,720		
	2 Savings and temporary cash investments		495,605	495,605		
	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)		10,044,856	10,044,856		
	c Investments—corporate bonds (attach schedule)					
Liabilities	11 Investments—land, buildings, and equipment, basis ▶					
	Less accumulated depreciation (attach schedule) ▶					
	12 Investments—mortgage loans					
	13 Investments—other (attach schedule)					
	14 Land, buildings, and equipment basis ▶					
	Less accumulated depreciation (attach schedule) ▶					
	15 Other assets (describe ▶)					
	16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	0	10,543,181	10,543,181		
	17 Accounts payable and accrued expenses		7,042			
	18 Grants payable					
Net Assets or Fund Balances	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	7,042			
	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ▶ ☐					
	24 Unrestricted					
Net Assets or Fund Balances	25 Temporarily restricted					
	26 Permanently restricted					
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ ☐					
	27 Capital stock, trust principal, or current funds					
	28 Paid-in or capital surplus, or land, bldg, and equipment fund					
	29 Retained earnings, accumulated income, endowment, or other funds		10,536,139			
	30 Total net assets or fund balances (see instructions)	0	10,536,139			
Net Assets or Fund Balances	31 Total liabilities and net assets/fund balances (see instructions)	0	10,543,181			

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	0
2 Enter amount from Part I, line 27a	2	10,733,499
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	10,733,499
5 Decreases not included in line 2 (itemize) ▶ Change in Unreralized Appreciation	5	197,360
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	10,536,139

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 Publicly traded securities				
b				
c				
d				
e Capital Gains Distributions				
(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 2,143,584		1,977,896	165,688	
b				
c				
d				
e			85,844	
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
a			165,688	
b				
c				
d				
e			85,844	
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	251,532	
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	0	

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.

(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			0.000000
2014			0.000000
2013			0.000000
2012			0.000000
2011			0.000000
2 Total of line 1, column (d)		2	0.000000
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years		3	0.000000
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5		4	
5 Multiply line 4 by line 3		5	
6 Enter 1% of net investment income (1% of Part I, line 27b)		6	0
7 Add lines 5 and 6		7	0
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions		8	0

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	7,042	
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	7,042	
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	7,042	
6	Credits/Payments			
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a		
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	0	
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	7,042	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0	
11	Enter the amount of line 10 to be Credited to 2017 estimated tax ☐ 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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the 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>		X
c Did the foundation file Form 1120-POL for this year?		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? <i>If "Yes," attach a detailed description of the activities.</i>		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? <i>If "Yes," attach a conformed copy of the changes</i>		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		N/A
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>		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?	X	
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>	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ WI		
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 <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	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)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	X	

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	Yes	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		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► NONE	13	X	
14	The books are in care of ► GARY G GRABOWSKI Located at ► 15617 BETHANY CT SOUTH BELOIT IL	Telephone no ► 779-475-2092 ZIP+4 ► 61080		
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 the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ►	16	Yes	No
				X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ 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	X
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2016?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? ☐ 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	N/A
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	N/A
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?	4b	X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to: (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? (3) Provide a grant to an individual for travel, study, or other similar purposes? (4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions). (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? b If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ ☐ 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? 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? b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870 7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	☐ Yes ☒ No ☐ Yes ☒ No ☐ Yes ☒ No ☐ Yes ☒ No ☐ Yes ☒ No ☐ Yes ☐ No ☐ Yes ☒ No ☐ Yes ☐ No ☐ Yes ☒ No ☐ Yes ☒ No	5b 6b 7b	N/A X N/A
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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
STEPHEN K BLUMM 483 FOUR MILE CREEK RD MOSINEE, WI 54455	PRESIDENT 3 00	0		
THOMAS L BROWN 320 E WASHINGTON ST SLINGER, WI 53086	DIRECTOR 50	0		
GARY G GRABOWSKI 15617 BETHANY CT SOUTH BELOIT, IL 61080	SECRETARY /TREA 4 00			
DONALD F WICHELT 14651 FAIR HAVENS RD FT MYERS, FL 33908	VICE PRES 50	0		

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

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

Total number of other employees paid over \$50,000



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 ▶**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 NONE

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 NONE

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	4,391,197
b	Average of monthly cash balances	1b	163,039
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	4,554,236
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	4,554,236
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see instructions)	4	68,314
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	4,485,922
6	Minimum investment return. Enter 5% of line 5	6	224,296

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	224,296
2a	Tax on investment income for 2016 from Part VI, line 5	2a	7,042
b	Income tax for 2016 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	7,042
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	217,254
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	217,254
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	217,254

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	119,939
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	119,939
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	
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	119,939

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				217,254
2 Undistributed income, if any, as of the end of 2016:				
a Enter amount for 2015 only			0	
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				
f Total of lines 3a through e	0			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ \$ 119,939				
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				119,939
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	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				
d Subtract line 6c from line 6b Taxable amount—see instructions				
e Undistributed income for 2015 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2017				97,315
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				
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				

Form **990-PF** (2016)

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Schedule of Contributors

OMB No 1545-0047

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

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

2016

Name of the organization

WILLIAM S KNIGHT FOUNDATION, INC, co G G GRABOWSKI

Employer identification number

81-0797771

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

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

General Rule

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

Special Rules

- ☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year. ▶ \$ _____

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

Name of organization

WILLIAM S KNIGHT FOUNDATION, INC, c/o G G GRABOWSKI

Employer identification number

81-0797771

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

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	William S Knight (Deseased) 16602 W Avon N Townline Rd Brodhead WI 53520 Foreign State or Province _____ Foreign Country _____	\$ 5,000	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
2	William S Knight Revocable Trust c/o SVA Plumb Trust Company Madison WI 53717 Foreign State or Province _____ Foreign Country _____	\$ 10,003,358	Person ☒ Payroll ☐ Noncash ☒ (Complete Part II for noncash contributions)
3	William Knight Administration Trust c/o SVA Plumb Trust Company Madison WI 53717 Foreign State or Province _____ Foreign Country _____	\$ 500,000	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
	_____ _____ _____ Foreign State or Province _____ Foreign Country _____	\$ _____	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
	_____ _____ _____ Foreign State or Province _____ Foreign Country _____	\$ _____	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)
	_____ _____ _____ Foreign State or Province _____ Foreign Country _____	\$ _____	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions)

81-0797771

[illegible]

Name of organization

WILLIAM S KNIGHT FOUNDATION, INC, c/o G G GRABOWSKI

Employer identification number

81-0797771

Part III**Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or**

- (10) that total more than \$1,000 for the year from any one contributor.** Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year (Enter this information once See instructions.) ▶ \$ _____ 0

Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	----- ----- ----- For Prov Country		----- ----- -----
-----	----- ----- -----	----- ----- -----	----- ----- -----
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	----- ----- ----- For Prov Country		----- ----- -----
-----	----- ----- -----	----- ----- -----	----- ----- -----
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	----- ----- ----- For Prov Country		----- ----- -----
-----	----- ----- -----	----- ----- -----	----- ----- -----
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	----- ----- ----- For Prov Country		----- ----- -----

Reasonable Cause Explanation (990-PF)

Taxpayer respectfully requests a First Time Abatement (FTA) of all penalties as a First Time Filer (FTF) with reference to IRS Manual section 20.1.1.3.6.1, Individual Master File (IMF) 065, Penalty Reason Code (PRC) 018. Taxpayer has not previously been required to file a return and has not had any previous penalties assessed. Please see General Explanation attached.

General Explanation (990-PF)

Explanation	
1	Taxpayer Foundation was initially funded during the third quarter of 2016 with cash and marketable securities. Additional time was required to create the books and records for the Foundation, and then the tax return. As soon as the 2016 tax liability was determined on June 16, 2017, payment of the 2016 tax liability was requested through the EFTPS.

1

251,532	
0	
Gain	
Loss	
165,688	
0	

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

		25,457	14,247	0	11,210
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
1	MANAGEMENT	14,814	3,704	0	11,110
2	INVESTMENT MANAGEMENT	10,509	10,509	0	0
3	DISBURSEMENTS ACCOUNT FEES	124	31	0	93
4	WI ANNUAL REPORT FEE	10	3	0	7

Part I, Line 18 (990-PF) - Taxes

		8,089	1,047	0	0
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1	Foreign Taxes Withheld	1,047	1,047		
2	Accrued Tax on Investment Income	7,042			

Part I, Line 23 (990-PF) - Other Expenses

		3,952	989	0	2,963
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1	MEETING EXPENSES	2,232	558		1,674
2	INDUSTRY ORGANIZATION MEMEBERSHIP DUES	650	163	0	487
3	OFFICE EXPENSES	220	55	0	165
4	IRS FILING FEE	850	213	0	637

Account Name. WILLIAM S. KNIGHT FOUNDATION AGENCY
 EIN. 81-0797771, Attachment to Form 990PF, Part II, line 10b
 As of Date. 12/31/2016
 Position Type. Traded

Security Name	Units	Unit Price	Cost Basis	Market Value
<u>EQUITIES:</u>				
3M CO	600.000	178.57	98,160.00	107,142.00
ALLERGAN PLC INC COM	250.000	210.01	63,225.45	52,502.50
ALPHABET INC CL C	125.000	771.82	101,567.70	96,477.50
APPLE INC	1,200.000	115.82	136,988.95	138,984.00
AT&T INC	723.000	42.53	28,164.47	30,749.19
BERKSHIRE HATHAWAY INC CL B	250.000	162.98	36,923.55	40,745.00
BRISTOL MYERS SQUIBB CO	1,000.000	58.44	61,090.95	58,440.00
CHEVRON CORP NEW	1,000.000	117.70	96,515.00	117,700.00
CISCO SYS INC	3,000.000	30.22	94,448.95	90,660.00
COCA COLA CO	2,000.000	41.46	90,875.00	82,920.00
DISNEY WALT CO	500.000	104.22	45,846.45	52,110.00
EXXON MOBIL CORP	1,200.000	90.26	100,846.99	108,312.00
FISERV INC	1,010.000	106.28	101,237.35	107,342.80
GENERAL ELEC CO	3,500.000	31.60	103,958.95	110,600.00
MCDONALDS CORP	500.000	121.72	57,337.95	60,860.00
MEDTRONIC PLC	400.000	71.23	30,382.00	28,492.00
MERCK & CO INC NEW	661.000	58.87	34,140.65	38,913.07
MICROSOFT CORP	2,250.000	62.14	122,625.00	139,815.00
NESTLE - ADR	1,350.000	71.74	96,191.73	96,849.00
NXP SEMICONDUCTORS NV	500.000	98.01	43,197.45	49,005.00
PHILLIPS 66	1,000.000	86.41	80,428.95	86,410.00
PRICELINE GROUP INC	50.000	1,466.06	70,034.45	73,303.00
PROCTER & GAMBLE CO	1,800.000	84.08	148,054.50	151,344.00
QUALCOMM INC	1,200.000	65.20	76,280.95	78,240.00
ROBERT HALF INTL INC	1,500.000	48.78	57,829.00	73,170.00
STARBUCKS CORP	1,000.000	55.52	53,774.95	55,520.00
SYNCHRONY FINANCIAL	1,000.000	36.27	27,710.95	36,270.00
SYSCO CORP	1,000.000	55.37	49,308.95	55,370.00
US BANCORP DEL	2,000.000	51.37	86,735.90	102,740.00
V F CORP COM	500.000	53.35	28,188.95	26,675.00
VERIZON COMMUNICATIONS	914.000	53.38	48,896.72	48,789.32
VISA INC	1,000.000	78.02	82,028.95	78,020.00
WELLS FARGO & CO NEW	2,000.000	55.11	93,387.40	110,220.00
Total of EQUITIES			2,446,385.16	2,584,690.38
<u>MUTUAL FUNDS:</u>				
CONSUMER DISCRETIONARY SELT	3,000.000	81.40	244,009.45	244,200.00
SCHWAB FUNDAMENTAL US SMALL COMPANY INDEX FD	15,102.105	14.15	194,750.69	213,694.79
SCHWAB US MID CAP ETF	8,000.000	45.15	348,852.30	361,200.00
VANGUARD CAPITAL OPPORTUNITY FUND	8,154.059	124.25	920,720.72	1,013,141.83
VANGUARD DIVIDEND GROWTH FUND - INV	40,201.839	23.43	915,630.93	941,929.09
VANGUARD GLOBAL EQUITY FUND	43,729.794	24.82	1,018,029.60	1,085,373.49
VANGUARD GNMA FUND	137,863.735	10.54	1,484,495.83	1,453,083.77
VANGUARD HEALTH CARE FUND	9,439.609	77.93	761,441.40	735,628.73
VANGUARD REIT ETF	2,000.000	82.53	164,317.61	165,060.00
VANGUARD SHRT-TRM INVESTMENT GRADE FUND	58,820.232	10.63	625,257.89	625,259.07
WISDOMTREE MIDCAP DVD F	4,000.000	94.38	365,362.50	377,520.00
WISDOMTREE SMALLCAP EARN FD	2,500.000	97.63	207,537.90	244,075.00
Total of MUTUAL FUNDS			7,250,406.82	7,460,165.75
TOTAL FOR ALL ASSETS			9,696,791.98	10,044,856.13

Part IV (990-PF) - Capital Gains and Losses for Tax on Investment Income

		Amount												
Long Term CG Distributions		85,844												
Short Term CG Distributions		0												
1	Description of Property Sold	CUSIP #	Acquisition Method	Date Acquired	Date Sold	Gross Sales Price	Depreciation Allowed	Adjustments	Cost or Other Basis Plus Expense of Sale	Gain or Loss	FMV as of 12/31/69	Adjusted Basis as of 12/31/69	Excess of FMV Over Adjusted Basis	Gains Minus Excess FMV Over Adj Basis or Losses
						2,143,584			0	1,977,896	165,688	0	0	165,688
						2,143,584			1,977,896	165,688	0	0	0	165,688

Part VII-A, Line 10 (990-PF) - Substantial Contributors

	Name	Check "X" if Business	Street	City	State	Zip Code	Foreign Country
1	William S Knight Revocable Trust		c/o SVA Plumb Trust Company	Madison	WI	53717	
2	William Knight Admin Trust		c/o SVA Plumb Trust Company	Madison	WI	53717	

Part VIII, Line 1 (990-PF) - Compensation of Officers, Directors, Trustees and Foundation Managers

Part VIII (2009) Compensation of Officers, Directors, Trustees and Foundation Managers													
	Name	Check "X" if Business	Street	City	State	Zip Code	Foreign Country	Title	Avg Hrs Per Week	Compensation	Benefits	Expense Account	Explanation
1	STEPHEN K BLUMM		483 FOUR MILE CREEK RD	MOSINEE	WI	54455		PRESIDENT	3.00	0			
2	THOMAS L BROWN		320 E WASHINGTON ST	SLINGER	WI	53086		DIRECTOR	0.50	0			
3	GARY G GRABOWSKI		15617 BETHANY CT	SOUTH BELOIT	IL	61080		SECRETARY /TREAS	4.00				Gary G Grabowski, provides administrative, management, grantmaking, accounting, investment overview and tax services to the Foundation. See Line 3 of Part VIII for amount of fees paid in 2016
4	DONALD F WICHELT		14651 FAIR HAVENS RD	FT MYERS	FL	33908		VICE PRES	0.50	0			

Part XV, Lines 1a-1b (990-PF) - Information Regarding Foundation Managers

List Managers who contributed more than 2% of the total contributions received by the foundation	List Managers who own 10% or more of the stock of a corporation of which the foundation has a 10% or greater interest
1 WILLIAM S KNIGHT	1 NONE
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10