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Return of Private Foundation

OMB No 1545-0052

2016

Open to Public Inspection

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.

For calendar year 2016 or tax year beginning

09/13, 2016, and ending

12/31, 2016

Name of foundation

MCGRANE FAMILY FOUNDATION

Number and street (or P O box number if mail is not delivered to street address)

Room/suite

FOUNDATION SOURCE 501 SILVERSIDER RD

A Employer identification number

81-3895531

B Telephone number (see instructions)

(800) 839-1754

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

WILMINGTON, DE 19809-1377

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

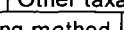
Other taxable private foundation

I Fair market value of all assets at
end of year (from Part II, col. (c), line
16) ► \$ 294,146.

J Accounting method



Cash



Accrual

 Other (specify)

(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)
1 Contributions, gifts, grants, etc. received (attach schedule)	308,241.			
2 Check ► <input type="checkbox"/> if the foundation is not required to attach Sch B.				
3 Interest on savings and temporary cash investments.	4.	4.		
4 Dividends and interest from securities .	4,507.	4,507.		
5a Gross rents .				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	-16,763.			
b Gross sales price for all assets on line 6a	341,059.			
7 Capital gain net income (from Part IV, line 2) .		61,986.		
8 Net short-term capital gain. .				
9 Income modifications.				
10a Gross sales less returns and allowances .	RECEIVED			
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.	295,989.	66,497.		
13 Compensation of officers, directors, trustees, etc.	0.			
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) .	161.	161.		
17 Interest .				
18 Taxes (attach schedule) (see instructions) .				
19 Depreciation (attach schedule) and depletion.				
20 Occupancy .				
21 Travel, conferences, and meetings .				
22 Printing and publications .				
23 Other expenses (attach schedule) ATCH 2 .	4,911.			4,911.
24 Total operating and administrative expenses.				
Add lines 13 through 23. .	5,072.	161.		4,911.
25 Contributions, gifts, grants paid .				
26 Total expenses and disbursements Add lines 24 and 25	5,072.	161.		4,911.
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements .	290,917.			
b Net investment income (if negative, enter -0-)			66,336.	
c Adjusted net income (if negative, enter -0-)				

Assets	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
1	Cash - non-interest-bearing			
2	Savings and temporary cash investments		8,633.	8,633.
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) ATCH 3		282,284.	285,513.
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)			
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.	290,917.	294,146.
Liabilities				
	17 Accounts payable and accrued expenses			
18	Grants payable			
19	Deferred revenue.			
20	Loans from officers, directors, trustees, and other disqualified persons.			
21	Mortgages and other notes payable (attach schedule)			
22	Other liabilities (describe ►)			
23	Total liabilities (add lines 17 through 22)	0.	0.	
	Foundations that follow SFAS 117, check here ► <input type="checkbox"/> 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. ► <input checked="" type="checkbox"/>			
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		290,917.	
30	Total net assets or fund balances (see instructions)	0.	290,917.	
31	Total liabilities and net assets/fund balances (see instructions)	0.	290,917.	
Net Assets or Fund Balances				

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	290,917.
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	290,917.
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	290,917.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)			(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1 a SEE PART IV SCHEDULE					
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					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))		
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any			
a					
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	61,986.	
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

NOT AVAILABLE FOR INITIAL YEAR RETURNS

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

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			
2014			
2013			
2012			
2011			
2 Total of line 1, column (d)			2
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
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
7 Add lines 5 and 6.			7
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

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948- see instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter "N/A" on line 1 . . .	(attach copy of letter if necessary - see instructions)	1	1,327.
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b . . .			
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	1,327.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) . . .		4	0.
5	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0- . . .		5	1,327.
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 <input type="checkbox"/> if Form 2220 is attached . . .		8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed . . .		9	1,327.
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid . . .		10	
11	Enter the amount of line 10 to be Credited to 2017 estimated tax ►		11	Refunded

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	
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? . . .	X	
1c	<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	
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? . . .	X	
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>		
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► DE,		
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> ATCH 4 . . .	X	

Part VII-A Statements Regarding Activities (continued)

11	Yes	No
11		X
12		X
13	X	
Website address ► N/A		
14	The books are in care of ► FOUNDATION SOURCE Telephone no ► 800-839-1754	
	Located at ► 501 SILVERSIDE ROAD, SUITE 123 WILMINGTON, DE ZIP+4 ► 19809-1377	
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ► <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year ► 15	
16	Yes	No
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.		
1a	Yes	No
(1)	<input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No
(2)	<input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No
(3)	<input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No
(4)	<input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No
(5)	<input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No
(6)	<input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>	
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? <input type="checkbox"/>	
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))	
a	At the end of tax year 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ►	
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions) <input type="checkbox"/>	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ►	
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b	If "Yes," did it have excess business holdings in 2016 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2016) <input type="checkbox"/>	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? <input type="checkbox"/>	
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? <input type="checkbox"/>	

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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(1)	Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(2)	Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(3)	Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(4)	Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions).	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 ► <input type="checkbox"/>				
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?	<input type="checkbox"/> Yes <input type="checkbox"/> No			
	<i>If "Yes," attach the statement required by Regulations section 53.4945-5(d)</i>				
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			6b	X
	<i>If "Yes" to 6b, file Form 8870</i>				
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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
ATCH 5		0.	0.	0.

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

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

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

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		0

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	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	NONE	
2		
All other program-related investments See instructions		
3	NONE	
Total. Add lines 1 through 3 ►		

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes	
a	Average monthly fair market value of securities	1a 135,590.
b	Average of monthly cash balances	1b 10,410.
c	Fair market value of all other assets (see instructions)	1c
d	Total (add lines 1a, b, and c)	1d 146,000.
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	3 146,000.
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4 2,190.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5 143,810.
6	Minimum investment return. Enter 5% of line 5	6 2,161.

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 2,161.
2a	Tax on investment income for 2016 from Part VI, line 5	2a 1,327.
b	Income tax for 2016 (This does not include the tax from Part VI)	2b
c	Add lines 2a and 2b	2c 1,327.
3	Distributable amount before adjustments Subtract line 2c from line 1	3 834.
4	Recoveries of amounts treated as qualifying distributions	4
5	Add lines 3 and 4	5 834.
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	7 834.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes	
a	Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1a 4,911.
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 4,911.
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 0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6 4,911.

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				834.
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only.				
b Total for prior years 20 14 , 20 13 , 20 12				
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				
4 Qualifying distributions for 2016 from Part XII, line 4 ► \$ 4,911.				
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.				834.
e Remaining amount distributed out of corpus.	4,077.			
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:	4,077.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b.				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount - see instructions				
e Undistributed income for 2015 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2017.				
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	4,077.			
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	4,077.			

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<i>a Paid during the year</i>				
Total				► 3a
<i>b Approved for future payment</i>				
Total				► 3b

Form 990-PF (2016)

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments .			14	4 .	
4 Dividends and interest from securities			14	4,507 .	
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	-16,763 .	
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)				-12,252 .	
13 Total Add line 12, columns (b), (d), and (e) (See worksheet in line 13 instructions to verify calculations.)				13	-12,252 .

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

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		

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

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

**Sign
Here**

Signature of officer or trustee

15-1-17

1

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

Paid Preparer Use Only	Print/Type preparer's name JEFFREY D HASKELL	Preparer's signature JEFFREY D HASKELL	Date 04/21/2017	Check <input type="checkbox"/> if self-employed	PTIN P01345770
	Firm's name ► FOUNDATION SOURCE			Firm's EIN ► 510398347	
	Firm's address ► ONE HOLLOW LN, STE 212 LAKE SUCCESS, NY			11042	Phone no 800-839-1754

Schedule B
(Form 990, 990-EZ,
or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

OMB No 1545-0047

2016

► 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

Name of the organization

MCGRANE FAMILY FOUNDATION

Employer identification number

81-3895531

Organization type (check one)

Filers of:

Form 990 or 990-EZ

Section:

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 MCGRANE FAMILY FOUNDATION

Employer identification number
81-3895531**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	MCGRANE, JERRI 9227 FOX FIRE DRIVE HIGHLANDS RANCH, CO 80129	\$ 308,241.	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Payroll <input checked="" type="checkbox"/> Noncash <small>(Complete Part II for noncash contributions)</small>
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II for noncash contributions)</small>
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II for noncash contributions)</small>
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II for noncash contributions)</small>
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II for noncash contributions)</small>
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II for noncash contributions)</small>
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II for noncash contributions)</small>
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II for noncash contributions)</small>
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II for noncash contributions)</small>

Name of organization MCGRANE FAMILY FOUNDATION

Employer identification number

81-3895531

Part II Noncash Property (See instructions) Use duplicate copies of Part II if additional space is needed

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
1	BLACKROCK MUNI TARGET TERM TR COMMON BTT, 2000 SH.	\$ 46,250.	11/02/2016
1	EATON VANCE TAX AD D EVT, 1868 SH.	\$ 35,482.	11/02/2016
1	BLACKROCK MUNICIPAL INCOME TRUST BFK, 12500 SH.	\$ 185,000.	11/02/2016
1	NUVEEN TAX ADVANTAGED TOTAL RTN STRAT F JTA, 2770 SH.	\$ 31,509.	11/02/2016
		\$	
		\$	

Name of organization MCGRANE FAMILY FOUNDATION

Employer identification number

81-3895531

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) ► \$ _____
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
(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
(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

FORM 990PF, PART I - OTHER PROFESSIONAL FEESATTACHMENT 1

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
INVESTMENT MANAGEMENT SERVICES	161.	161.
TOTALS	<u>161.</u>	<u>161.</u>

FORM 990PF, PART I - OTHER EXPENSES

REVENUE

AND

EXPENSES
PER BOOKS

<u>DESCRIPTION</u>	
ADMINISTRATIVE FEES	
ADMINISTRATIVE SET-UP FEE	61.
DELAWARE INCORPORATION FEES	3,500.
IRS APPLICATION FEES	500.
	850.
TOTALS	<u>4,911.</u>

<u>CHARITABLE PURPOSES</u>	
	61.
3,500.	
500.	
850.	
	<u>4,911.</u>

FORM 990PF, PART II - CORPORATE STOCKDESCRIPTIONENDING
BOOK VALUEENDING
FMV

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
BLACKROCK CREDIT ALLOCATION IN	14,221.	14,734.
BLACKROCK MULTI-SECTOR INCOME	14,226.	14,338.
BROOKFIELD REAL ASSETS INCOME	85,527.	86,742.
COLUMBIA EMERGING MARKETS CONS	7,096.	6,889.
DIVERSIFIED REAL ASSET INCOME	14,220.	14,468.
DOUBLELINE INCOME SOLUTIONS FU	27,011.	27,592.
EATON VANCE TAX AD D	19,774.	21,382.
FAMCO MLP & ENERGY INCOME FUND	7,107.	7,238.
ISHARE MSCI EMU INDEX	14,204.	14,151.
KAYNE ANDERSON ENERGY TOTAL RE	7,105.	7,192.
KAYNE ANDERSON MIDSTREAM ENERGY	7,121.	7,250.
NUVEEN TAX ADVANTAGED TOTAL RT	21,999.	21,882.
OPPENHEIMER DEVELOPING MARKETS	7,107.	7,004.
STRK SPDR S&P CH ETF	3,564.	3,386.
VANGUARD FTSE DEVELOPED MARKET	28,444.	27,770.
WISDOMTREE INDIA	3,558.	3,495.
TOTALS	282,284.	285,513.

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis			
341,059.		PUBLICLY-TRADED SECURITIES 279,073.					61,986.	
TOTAL GAIN(LOSS)							<u>61,986.</u>	

FORM 990PF, PART VII-A, LINE 10 - SUBSTANTIAL CONTRIBUTORS

NAME AND ADDRESS

MCGRANE, JERRI
9227 FOX FIRE DRIVE
HIGHLANDS RANCH, CO 80129

MCGRANE, RUSS
9227 FOX FIRE DRIVE
HIGHLANDS RANCH, CO 80129

ATTACHMENT 4

MCGRANE FAMILY FOUNDATION

2016 FORM 990-PF

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEESATTACHMENT 5

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>	<u>EXPENSE ACCT AND OTHER ALLOWANCES</u>
JERRI MCGRANE FOUNDATION SOURCE 501 SILVERSIDE RD WILMINGTON, DE 19809-1377	PRES / DIR / SEC / TREAS 1.00	0.	0.	0.
RUSS MCGRANE FOUNDATION SOURCE 501 SILVERSIDE RD WILMINGTON, DE 19809-1377	VP / DIR 1.00	0.	0.	0.
GRAND TOTALS		0.	0.	0.

81-3895531

ATTACHMENT 6

FORM 990PF, PART XV - INFORMATION REGARDING FOUNDATION MANAGERS

JERRI MCGRANE
RUSS MCGRANE