



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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

, and ending

Name of foundation FARRELL FAMILY FOUNDATION		A Employer identification number 91-2167530
Number and street (or P.O. box number if mail is not delivered to street address) P.O. BOX 205	Room/suite	B Telephone number 310-683-9142
City or town, state or province, country, and ZIP or foreign postal code KENTFIELD, CA 94914-0205		C If exemption application is pending, check here ☐
G Check all that apply: ☐ Initial return ☐ Final return ☐ Address change ☐ Initial return of a former public charity ☐ Amended return ☐ Name change		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 13,175,067. (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 ☐
J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____		

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))		(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		2,140,712.		N/A	
2 Check ☐ if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		44.	44.		STATEMENT 2
4 Dividends and interest from securities		234,546.	234,546.		STATEMENT 3
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		-70,498.			STATEMENT 1
b Gross sales price for all assets on line 6a		10,811,580.			
7 Capital gain net income (from Part IV, line 2)			2,070,214.		
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)					
11 Other income					
12 Total. Add lines 1 through 11		2,304,804.	2,304,804.		
13 Compensation of officers, directors, trustees, etc		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees STMT 4		12,000.	12,000.		0.
c Other professional fees STMT 5		65,000.	32,500.		32,500.
17 Interest					
18 Taxes STMT 6		60,281.	60,281.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 7		117,675.	115,637.		2,038.
24 Total operating and administrative expenses. Add lines 13 through 23		254,956.	220,418.		34,538.
25 Contributions, gifts, grants paid		1,496,753.			1,496,753.
26 Total expenses and disbursements. Add lines 24 and 25		1,751,709.	220,418.		1,531,291.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		553,095.			
b Net investment income (if negative, enter -0-)			2,084,386.		
c Adjusted net income (if negative, enter -0-)				N/A	

623501 11-23-16 LHA For Paperwork Reduction Act Notice, see instructions.

Form 990-PF (2016)

SCANNED JUN 05 2017

10500503 795629 3476A

2016.03020 FARRELL FAMILY FOUNDATION 3476A_1

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1 Cash - non-interest-bearing			69,007.	69,007.	
	2 Savings and temporary cash investments	3,301,140.	157,780.	157,780.		
	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					
	7 Other notes and loans receivable ▶					
	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 STMT 8	0.	505,868.	505,990.		
	b Investments - corporate stock STMT 9	8,929,589.	11,931,609.	12,442,290.		
	c Investments - corporate bonds					
	11 Investments - land, buildings, and equipment basis ▶					
Less: accumulated depreciation ▶						
12 Investments - mortgage loans						
13 Investments - other						
14 Land, buildings, and equipment: basis ▶						
Less: accumulated depreciation ▶						
15 Other assets (describe ▶)						
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	12,230,729.	12,664,264.	13,175,067.			
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					
	22 Other liabilities (describe ▶)					
23 Total liabilities (add lines 17 through 22)	0.	0.				
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐					
	24 Unrestricted					
	25 Temporarily restricted					
	26 Permanently restricted					
	Foundations that do not follow SFAS 117, check here ▶ ☒					
	27 Capital stock, trust principal, or current funds	1,514,874.	1,514,874.			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.			
	29 Retained earnings, accumulated income, endowment, or other funds	10,715,855.	11,149,390.			
30 Total net assets or fund balances	12,230,729.	12,664,264.				
31 Total liabilities and net assets/fund balances	12,230,729.	12,664,264.				

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	12,230,729.
2 Enter amount from Part I, line 27a	2	553,095.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	12,783,824.
5 Decreases not included in line 2 (itemize) ▶ COST BASIS ADJUSTMENT	5	119,560.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	12,664,264.

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 MERRILL LYNCH - 04086	P		
b MERRILL LYNCH - 04086	P		
c 34,400 SHARES RESMED, INC.	P		
d MERRILL LYNCH - 04086 (SUPP.)	P		
e CAPITAL GAINS DIVIDENDS			

(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 4,972,369.		4,935,152.	37,217.
b 3,251,379.		3,373,542.	-122,163.
c 2,140,888.			2,140,888.
d 401,312.		432,672.	-31,360.
e 45,632.			45,632.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			37,217.
b			-122,163.
c			2,140,888.
d			-31,360.
e			45,632.

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	2,070,214.
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). If (loss), enter -0- in Part I, line 8		3	N/A

Part V. Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

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

☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2015	1,592,159.	9,532,259.	.167029
2014	1,196,462.	9,837,510.	.121622
2013	1,137,140.	6,409,016.	.177428
2012	1,335,115.	3,982,975.	.335205
2011	1,253,193.	3,848,996.	.325590

2 Total of line 1, column (d)	2	1.126874
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	.225375
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	12,362,592.
5 Multiply line 4 by line 3	5	2,786,219.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	20,844.
7 Add lines 5 and 6	7	2,807,063.
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	1,531,291.

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	41,688.
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	41,688.
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	41,688.
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	1,246.
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	42,934.
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 ☐ Refunded ☐	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? 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		X
1c Did the foundation file Form 1120-POL for this year?		X
2 Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. $\$$ 0. (2) On foundation managers. $\$$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. $\$$ 0.		
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		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		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?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		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? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <u>CA</u>		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	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		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

Form 990-PF (2016)

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)		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)		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>WWW.FARRELLFAMILYFOUNDATION.COM</u>	X	
14 The books are in care of ► <u>KRISTI BURLINGAME</u> Telephone no. ► <u>310-414-9358</u> Located at ► <u>C/O LSPOSTER, 3790 VIA DE LA VALLE #207, DEL MAR,</u> ZIP+4 ► <u>92014</u>		
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		N/A
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 ►		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	N/A	
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?		X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)): a At the end of tax year 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? ☐ Yes ☒ No If "Yes," list the years ►		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)	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. ►		
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.)	N/A	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		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?		X

Form 990-PF (2016)

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions)

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No**b** If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

N/A

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?

N/A

☐ 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?

If "Yes" to 6b, file Form 8870

6b

X

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?

N/A

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.

(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
PETER C. FARRELL	DIRECTOR			
P. O. BOX 205				
KENTFIELD, CA 94914	0.00	0.	0.	0.
PAUL A. FARRELL	DIRECTOR			
P. O. BOX 205				
KENTFIELD, CA 94914	1.00	0.	0.	0.
CATHERINE A. SERTORI	DIRECTOR			
P. O. BOX 205				
KENTFIELD, CA 94914	1.00	0.	0.	0.
MICHAEL J. FARRELL	DIRECTOR			
P. O. BOX 205				
KENTFIELD, CA 94914	1.00	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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

Form 990-PF (2016)

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services. 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

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.

Form 990-PF (2016)

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	10,786,892.
b	Average of monthly cash balances	1b	1,763,963.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	12,550,855.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	12,550,855.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	188,263.
5	Net value of noncharitable-use assets Subtract line 4 from line 3. Enter here and on Part V, line 4	5	12,362,592.
6	Minimum investment return. Enter 5% of line 5	6	618,130.

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	618,130.
2a	Tax on investment income for 2016 from Part VI, line 5	2a	41,688.
b	Income tax for 2016. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	41,688.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	576,442.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	576,442.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	576,442.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	1,531,291.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,531,291.
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	5	0.
6	Adjusted qualifying distributions Subtract line 5 from line 4	6	1,531,291.

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.

Form 990-PF (2016)

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				576,442.
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2016:				
a From 2011	1,064,963.			
b From 2012	1,172,053.			
c From 2013	912,893.			
d From 2014	783,953.			
e From 2015	1,169,862.			
f Total of lines 3a through e	5,103,724.			
4 Qualifying distributions for 2016 from Part XII, line 4: ► \$	1,531,291.			
a Applied to 2015, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2016 distributable amount				576,442.
e Remaining amount distributed out of corpus	954,849.			
5 Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:	6,058,573.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2015. Subtract line 4a from line 2a. Taxable amount - see instr.			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)	0.			
8 Excess distributions carryover from 2011 not applied on line 5 or line 7	1,064,963.			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	4,993,610.			
10 Analysis of line 9:				
a Excess from 2012	1,172,053.			
b Excess from 2013	912,893.			
c Excess from 2014	783,953.			
d Excess from 2015	1,169,862.			
e Excess from 2016	954,849.			

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 SCHEDULE ATTACHED AVAILABLE UPON REQUEST AVAILABLE UPON REQUEST			GENERAL	1,496,753.
Total			3a	1,496,753.
b Approved for future payment				
NONE				
Total			3b	0.

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
	(a) Business code	(b) Amount	(c) Exclu- sion 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	44.		
4 Dividends and interest from securities			14	234,546.		
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			14	-70,498.		
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.		164,092.		0.
13 Total Add line 12, columns (b), (d), and (e)						164,092.

(See worksheet in line 13 instructions to verify calculations.)

Part XVI-B

Relationship of Activities to the Accomplishment of Exempt Purposes

[illegible]

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

- ▶ 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.

OMB No 1545-0047

2016

Name of the organization

Employer identification number

FARRELL FAMILY FOUNDATION**91-2167530**

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 foundationCheck 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).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2016)

Name of organization

Employer identification number

FARRELL FAMILY FOUNDATION**91-2167530****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
<u>1</u>	<u>PETER FARRELL</u> <u>2521 WESTGATE STREET</u> <u>HOUSTON, TX 77019</u>	\$ <u>2,140,712.</u>	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II for noncash contributions)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$ _____	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$ _____	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$ _____	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$ _____	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$ _____	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$ _____	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)

Employer identification number

91-2167530

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

[illegible]

Name of organization

Employer identification number

FARRELL FAMILY FOUNDATION**91-2167530****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 info once) **\$**

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
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

FORM 990-PF GAIN OR (LOSS) FROM SALE OF ASSETS STATEMENT 1

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED		DATE ACQUIRED	DATE SOLD
MERRILL LYNCH - 04086	PURCHASED			
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
4,972,369.	4,935,152.	0.	0.	37,217.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED		DATE ACQUIRED	DATE SOLD
MERRILL LYNCH - 04086	PURCHASED			
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
3,251,379.	3,373,542.	0.	0.	-122,163.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED		DATE ACQUIRED	DATE SOLD
34,400 SHARES RESMED, INC.	PURCHASED			
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
2,140,888.	2,140,712.	0.	0.	176.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD	
MERRILL LYNCH - 04086 (SUPP.)	PURCHASED			
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
401,312.	432,672.	0.	0.	-31,360.
CAPITAL GAINS DIVIDENDS FROM PART IV				45,632.
TOTAL TO FORM 990-PF, PART I, LINE 6A				-70,498.

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 2

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
MERRILL LYNCH	44.	44.	
TOTAL TO PART I, LINE 3	44.	44.	

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 3

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
MERRILL LYNCH	280,178.	45,632.	234,546.	234,546.	
TO PART I, LINE 4	280,178.	45,632.	234,546.	234,546.	

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PROFESSIONAL FEES	12,000.	12,000.		0.
TO FORM 990-PF, PG 1, LN 16B	12,000.	12,000.		0.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
CONSULTING FEES	65,000.	32,500.		32,500.
TO FORM 990-PF, PG 1, LN 16C	65,000.	32,500.		32,500.

FORM 990-PF TAXES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES WITHHELD	4,497.	4,497.		0.
FEDERAL TAXES	55,604.	55,604.		0.
STATE TAXES	180.	180.		0.
TO FORM 990-PF, PG 1, LN 18	60,281.	60,281.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
COMPUTER COSTS	488.	488.		0.
OTHER	4,076.	2,038.		2,038.
OFFICE EXPENSES	254.	254.		0.
INVESTMENT MANAGEMENT	112,857.	112,857.		0.
TO FORM 990-PF, PG 1, LN 23	117,675.	115,637.		2,038.

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	8
-------------	--	-----------	---

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
GOVERNMENT SECURITIES	X		505,868.	505,990.
TOTAL U.S. GOVERNMENT OBLIGATIONS			505,868.	505,990.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			505,868.	505,990.

FORM 990-PF	CORPORATE STOCK	STATEMENT	9
-------------	-----------------	-----------	---

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
MUTUAL FUNDS	11,931,609.	12,442,290.
TOTAL TO FORM 990-PF, PART II, LINE 10B	11,931,609.	12,442,290.

	<u>Jan - Dec 16</u>
A Reason To Survive	10,000 00
AACP Chest	2,000 00
AAUW	8,500 00
Access Youth Academy	12,500 00
Acton Institute	1,000 00
Advance Charitable And Edu Fund	10,000 00
AEI	2,500 00
American Cancer Society	5,000 00
American Civil Rights	5,000 00
American Council on Science	2,500 00
American Diabetes	5,000 00
Angels Foster Family Network	15,000 00
Arc of San Diego	12,500 00
Athenaeum	5,000 00
Atlas Economic Research Foundation	2,500 00
Bach Collegium San Diego	7,500 00
Basilica of the National	500 00
BbbsofSD	55,000 00
Best Buddies	500 00
Bishop's School	5,000 00
Boy Scouts of America	10,000 00
Burn Institute	7,000 00
Business Today	6,000 00
Capital Research Center	2,500 00
Casa Cornelia Legal Services	15,000 00
Center For Independent Studies	37,839 00
Cfact.org	6,000 00
Challenged Athletes	1,000 00
Children Lifeline	2,500 00
Children's Hospital Charity Ball	2,400 00
Claremont Institute	5,000 00
Community Resources Center	10,000 00
Competitive Enterprise	5,000 00
David Horowitz Freedom Center	2,000 00
Diocese Of San Diego	2,500 00
Doors of Change	5,000 00
ElderHelp	15,000 00
Farm Sanctuary	6,000 00
Fidelis	2,500 00
Fiji Kids Learning 4 Life	2,376 25
Flinders Medical Center	1,925 06
FreedomWorks	2,500 00
Friends Of The Poor	1,000 00
George Mason University	15,000 00
Girl Scouts Of San Diego	10,000 00

Greater SD Tennis Council	5,000 00
Happiness For The Children Of Kenya	5,000 00
Helen Keller International	1,000 00
Heritage Action	1,000 00
Hillsdale College	10,500 00
Include Autism	10,000 00
Institute for Humane Studies	7,500 00
International Freedom Alliance	5,000 00
IPA	2,003 51
Jackie Robinson YMCA	5,000 00
Jewish Voice Ministries	1,000 00
John Paul the Great	2,500 00
Judicial Watch	7,500 00
Junior Achievement	10,000 00
Just In Time Youth Program	25,000 00
Juvenile Diabetes Research Foundation	1,000 00
King's College	20,000 00
KUSC Radio	1,500 00
La Jolla Music Society	5,350 00
La Jolla Playhouse	15,000 00
La Jolla Rotary Foundation	2,500 00
La Jolla Town Council	4,000 00
Las Patronas	15,000 00
Leadership Inst	11,000 00
Lucy Burns Institute	2,500 00
Mainly Mozart	20,000 00
Mama's Kitchen	15,000 00
Manhattan Institute for Policy Research	37,500 00
Many Hats LLC	10,000 00
Mary Star Of The Sea Churge	50,000 00
MCASD	49,800 00
MediCamp	2,500 00
Miles Christi Religious Order	5,000 00
MIT	20,000 00
Monarch School	10,000 00
MOPA	12,510 00
National Academy Of Engineering	20,000 00
National Legal & Policy Center	2,500 00
National Parkinsons Foundation	500 00
Naval Special Warfare Family Foundation	10,000 00
NCPPR	3,000 00
Pacific Arts Movement	7,500 00
Pacific Research Institute	25,000 00
Partnerships with Industry	12,000 00
Pedal the Cause	1,030 00
Pontificio Ateneo	12,000 00
Preuss School	20,000 00

Priests for Life	3,010 00
Project Concern	20,000 00
Project Veritas	25,000 00
Prostate Cancer Foundation	2,500 00
Rady's Hospital RSF	20,000 00
Reality Changers	25,000 00
Reason Foundation	7,500 00
Reuben H Fleet Science Center	10,000 00
Ride to Conquer Cancer	387 96
Ronald McDonald House	15,000 00
Salk Institute	25,000 00
Salvation Army	8,862 62
San Diego Center For Children	40,000 00
San Diego Legatus Edu Foundation	5,000 00
San Diego Museum Of Man	1,000 00
San Diego Opera	63,500 00
San Diego Police Foundation	8,500 00
San Diego Public Library	5,000 00
San Diego Symphony	26,000 00
Sanford Burnham	10,000 00
SCN Heart For Refugees	1,000 00
Scripps Foundation	1,000 00
Second Chance	10,000 00
Shelter Sold	2,500 00
Spirit of Liberty Foundation	8,000 00
State Policy Network	3,500 00
SVDP Village	1,000 00
Sydney USA	2,358 03
Teach For America	30,000 00
The Beeve Foundation	25,000 00
The Heritage Foundation	5,500 00
The Independent Institute	2,500 00
Timken Museum Of Art	2,500 00
Turning Point	22,500 00
UCSD Foundation	27,000 00
Ucsd Foundation Jazz Camp	5,000 00
UCSD Sulpizio	10,000 00
United Cerebral Palsy	2,000 00
University Of Sydney	733 23
University Of Washington	5,000 00
USO Donations	15,000 00
USS Midway	6,000 00
Veterans 360	5,000 00
Vision of Children	2,500 00
Voices For Children	85,000 00
Walden Foundation	26,667 00
World Jewish Congress	500 00

YMCA
TOTAL

2,500 00

1,496,752.66