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 instructions is at *www.irs.gov/form990pf*.

OMB No 1545-0052

2016

Open to Public Inspection

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

Name of foundation
MARGOES FOUNDATION

A Employer identification number
94-2955164

Number and street (or P O box number if mail is not delivered to street address) Room/suite
1660 BUSH STREET NO 300

B Telephone number (see instructions)
(415) 561-6540

City or town, state or province, country, and ZIP or foreign postal code
SAN FRANCISCO, CA 94109

C If exemption application is pending, check here ▶ ☐

G Check all that apply ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

D 1. Foreign organizations, check here ▶ ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

H Check type of organization ☑ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)*▶$ 4,468,583

J Accounting method ☑ Cash ☐ Accrual ☐ Other (specify) ________
(Part I, column (d) must be on cash basis)

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))*

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ ☑ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	94,869	94,869		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	558,248			
	b	Gross sales price for all assets on line 6a 2,637,016				
	7	Capital gain net income (from Part IV, line 2)		558,248		
	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	653,117	653,117		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0	0		0
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)	4,275	2,138		2,137
	c	Other professional fees (attach schedule)	75,886	30,352		45,534
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	80	0		80
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings	215	0		215
	22	Printing and publications				
	23	Other expenses (attach schedule)	5,000	660		4,340
	24	**Total operating and administrative expenses.** Add lines 13 through 23	85,456	33,150		52,306
	25	Contributions, gifts, grants paid	182,000			182,000
	26	**Total expenses and disbursements.** Add lines 24 and 25	267,456	33,150		234,306
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	385,661			
	b	**Net investment income** (if negative, enter -0-)		619,967		
	c	**Adjusted net income**(if negative, enter -0-)				

Part II **Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

			Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing	74		
	2	Savings and temporary cash investments	271,930	135,765	135,765
	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)	42,621	35,071	35,071
	b	Investments—corporate stock (attach schedule)			
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	4,079,492	4,297,747	4,297,747
	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)	4,394,117	4,468,583	4,468,583
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities**(add lines 17 through 22)	0	0	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☑ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds	5,044,256	5,044,256	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund	0	0	
	29	Retained earnings, accumulated income, endowment, or other funds	-650,139	-575,673	
	30	**Total net assets or fund balances** (see instructions)	4,394,117	4,468,583	
	31	**Total liabilities and net assets/fund balances** (see instructions)	4,394,117	4,468,583	

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	4,394,117
2	Enter amount from Part I, line 27a	2	385,661
3	Other increases not included in line 2 (itemize) ▶	3	0
4	Add lines 1, 2, and 3	4	4,779,778
5	Decreases not included in line 2 (itemize) ▶	5	311,195
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	4,468,583

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	US BANK			
b	US BANK			
c	US BANK - CLASS ACTION			
d	US BANK - LONG TERM CAPITAL GAIN DISTRIBUTION			
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	2,628,813		2,071,341	557,472
b	7,410		7,427	-17
c	29			29
d	764			764
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
a				557,472
b				-17
c				29
d				764
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	558,248
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	3	

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☑ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2015	189,780	4,664,632	0 040685
2014	238,584	4,742,558	0 050307
2013	251,706	4,734,972	0 053159
2012	263,556	4,679,175	0 056325
2011	274,260	5,048,113	0 054329

2	**Total** of line 1, column (d)	2	0 254805
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 050961
4	Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	4,407,241
5	Multiply line 4 by line 3	5	224,597
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	6,200
7	Add lines 5 and 6	7	230,797
8	Enter qualifying distributions from Part XII, line 4	8	234,306

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 Date of ruling or determination letter ______ (attach copy of letter if necessary–see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☑ and enter 1% of Part I, line 27b	1	6,200
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	6,200
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	6,200
6	Credits/Payments		
a	2016 estimated tax payments and 2015 overpayment credited to 2016 — 6a — 1,676		
b	Exempt foreign organizations—tax withheld at source — 6b		
c	Tax paid with application for extension of time to file (Form 8868) — 6c — 7,700		
d	Backup withholding erroneously withheld — 6d		
7	Total credits and payments Add lines 6a through 6d	7	9,376
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8	1
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	3,175
11	Enter the amount of line 10 to be **Credited to 2017 estimated tax** ▶ 3,175 **Refunded** ▶	11	0

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)?	1b		No
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		No
d	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*	2		No
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		No
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ CA			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? *If "No," attach explanation*	8b	Yes	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		No

Part VII-A **Statements Regarding Activities** (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions).	11		No
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶WWW PFS-LLC NET/FOUNDATIONS/MARGOES-FOUNDATION

14 The books are in care of ▶PACIFIC FOUNDATION SERVICES LLC Telephone no ▶(415) 561-6540

Located at ▶1660 BUSH STREET 300 SAN FRANCISCO CA ZIP+4 ▶94109

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** —Check here . . . ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year . . . ▶ | 15 |

			Yes	No
16	At any time during calendar year 2016, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		No
	See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) If "Yes", enter the name of the foreign country ▶			

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

			Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☑ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?. ☐ Yes ☑ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☑ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☑ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?. ☐ Yes ☑ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ☐ Yes ☑ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		No
	Organizations relying on a current notice regarding disaster assistance check here. ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2016?.	1c		No
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016?. ☐ Yes ☑ No If "Yes," list the years ▶ 20___, 20___, 20___, 20___			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see instructions)	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 20___, 20___, 20___, 20___			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?. ☐ Yes ☑ No			
b	If "Yes," did it have excess business holdings in 2016 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period?*(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2016).*	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?	4b		No

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

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☑ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☑ No			
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 4945(d)(4)(A)? (see instructions) ☐ Yes ☑ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No			
b	If any answer is "Yes" to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?	**5b**		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No			
	If "Yes," attach the statement required by Regulations section 53 4945-5(d)			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☑ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	**6b**		No
	If "Yes" to 6b, file Form 8870			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☑ No			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	**7b**		

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	Title, and average hours per week **(b)** devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
See Additional Data Table				

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

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

Total number of other employees paid over $50,000 ▶ 0

Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)***

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE".

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
NONE		
Total number of others receiving over $50,000 for professional services. ▶		0

Part IX-A **Summary of Direct Charitable Activities**

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

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

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

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes			
a	Average monthly fair market value of securities		1a	4,361,650
b	Average of monthly cash balances		1b	112,706
c	Fair market value of all other assets (see instructions)		1c	0
d	**Total** (add lines 1a, b, and c)		1d	4,474,356
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	4,474,356
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	67,115
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	4,407,241
6	**Minimum investment return.** Enter 5% of line 5		6	220,362

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	220,362
2a	Tax on investment income for 2016 from Part VI, line 5	2a 6,200		
b	Income tax for 2016 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	6,200
3	Distributable amount before adjustments Subtract line 2c from line 1		3	214,162
4	Recoveries of amounts treated as qualifying distributions		4	0
5	Add lines 3 and 4		5	214,162
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	214,162

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	234,306
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	234,306
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	6,200
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	228,106

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				214,162
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____		0		
3 Excess distributions carryover, if any, to 2016				
a From 2011.				
b From 2012.				
c From 2013.				
d From 2014. 15,037				
e From 2015.				
f **Total** of lines 3a through e.	15,037			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ $ 234,306				
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.				214,162
e Remaining amount distributed out of corpus	20,144			
5 Excess distributions carryover applied to 2016 *(If an amount appears in column (d), the same amount must be shown in column (a))*	0			0
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	35,181			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.		0		
d Subtract line 6c from line 6b Taxable amount —see instructions		0		
e Undistributed income for 2015 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2017				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 (see instructions) . . .	0			
9 **Excess distributions carryover to 2017.** Subtract lines 7 and 8 from line 6a	35,181			
10 Analysis of line 9				
a Excess from 2012. . . .				
b Excess from 2013. . . .				
c Excess from 2014. . . . 15,037				
d Excess from 2015. . . .				
e Excess from 2016. . . . 20,144				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2016, enter the date of the ruling. . . . . ▶

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

	Tax year	Prior 3 years			(e) Total
	(a) 2016	**(b)** 2015	**(c)** 2014	**(d)** 2013	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon **a** "Assets" alternative test—enter **(1)** Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed.					
c "Support" alternative test—enter **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii).					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had $5,000 or more in assets at any time during the year—see instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000) (See section 507(d)(2))

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ▶ ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number or e-mail address of the person to whom applications should be addressed

AMY FREEMAN PACIFIC FOUNDATION SERV
1660 BUSH STREET 300
SAN FRANCISCO, CA 94109
(415) 561-6540

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

SEE EXHIBIT 1

c Any submission deadlines

SEE EXHIBIT 1

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

SEE EXHIBIT 1

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 Additional Data Table				
Total . . . . ▶ **3a**				182,000
b *Approved for future payment*				
CAMPAIGN FOR COLLEGE OPPORTUNITY (GRADGEARS) 4368 23RD STREET SAN FRANCISCO, CA 94114	N/A	PC	GRAD GURU PROGRAM	50,000
SF CONSERVATORY OF MUSIC 50 OAK STREET SAN FRANCISCO, CA 94102	N/A	PC	SCHOLARS	10,000
Total . . . . ▶ **3b**				60,000

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	94,869	
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	558,248	
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		653,117	0

13 Total. Add line 12, columns (b), (d), and (e) . . . 13 653,117

(See worksheet in line 13 instructions to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)

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)		No
(2) Other assets.	1a(2)		No
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization.	1b(1)		No
(2) Purchases of assets from a noncharitable exempt organization.	1b(2)		No
(3) Rental of facilities, equipment, or other assets.	1b(3)		No
(4) Reimbursement arrangements.	1b(4)		No
(5) Loans or loan guarantees.	1b(5)		No
(6) Performance of services or membership or fundraising solicitations.	1b(6)		No
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.	1c		No

d If the answer to any of the above is "Yes," complete the following schedule Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received

(a) Line No	**(b)** Amount involved	**(c)** Name of noncharitable exempt organization	**(d)** Description of transfers, transactions, and sharing arrangements

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?. ☐ Yes ☑ No

b If "Yes," complete the following schedule

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

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

Signature of officer or trustee	Date	Title
	2017-07-05	

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ▶ ☐	PTIN
KATHLEEN BURRY				P00394887

Firm's name ▶ CALEGARI & MORRIS ACCOUNTANTS — Firm's EIN ▶94-2186350

Firm's address ▶ 123 MISSION STREET 18TH FLOOR SAN FRANCISCO, CA 94105 — Phone no (415) 981-8766

Form 990PF Part VIII Line 1 - List all officers, directors, trustees, foundation managers and their compensation

(a) Name and address	Title, and average hours per week **(b)** devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	Expense account, **(e)** other allowances
CAL C HARLING 1660 BUSH STREET SUITE 300 SAN FRANCISCO, CA 94109	CHAIRMAN/DIRECTOR 1 00	0	0	0
NEAL L PETERSEN 1660 BUSH STREET SUITE 300 SAN FRANCISCO, CA 94109	SECRETARY/DIRECTOR 1 00	0	0	0
RICHARD MARTINEZ 1660 BUSH STREET SUITE 300 SAN FRANCISCO, CA 94109	DIRECTOR 1 00	0	0	0
HOLLY WILLIAMSON 1660 BUSH STREET SUITE 300 SAN FRANCISCO, CA 94109	DIRECTOR 1 00	0	0	0
MARY ANNE SCHUETT 1660 BUSH STREET SUITE 300 SAN FRANCISCO, CA 94109	DIRECTOR 1 00	0	0	0
MARK MOSKOWITZ 1660 BUSH STREET SUITE 300 SAN FRANCISCO, CA 94109	DIRECTOR 1 00	0	0	0

Form 990PF Part XV Line 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*				
CAMPAIGN FOR COLLEGE OPPORTUNITY (GRADGEARS) 4368 23RD STREET SAN FRANCISCO, CA 94114	N/A	PC	GRAD GURU PROGRAM	50,000
THE FOUNDATION CENTER 312 SUTTER STREET SUITE 606 SAN FRANCISCO, CA 94108	N/A	PC	CONTINUED SUPPORT OF FOUNDATION CENTER WEST	2,000
PEERS ENVISIONING AND ENGAGING IN RECOVERY 333 HEGENBERGER ROAD OAKLAND, CA 94621	N/A	PC	TAY INTERNSHIP PRGORAM	20,000
SF CONSERVATORY OF MUSIC 50 OAK STREET SAN FRANCISCO, CA 94102	N/A	PC	MARGOES FOUNDATION SCHOLARS	10,000
SEVEN TEPEES YOUTH PROGRAM 3177 17TH STREET SAN FRANCISCO, CA 94110	N/A	PC	COLLEGE AND CAREER PROGRAM	30,000
SILICON VALLEY URBAN DEBATE LEAGUE 502 VALLEY WAY MILPITAS, CA 95035	N/A	PC	DEEP SCHOOL PARTNERSHIPS FOR COLLEGE SUCCESS	25,000
SPONSORS FOR EDUCATIONAL OPPORTUNITY INC 2030 HARRISON ST 3RD FLOOR SAN FRANCISCO, CA 94110	N/A	PC	COLLEGE ACCESS PROGRAMMING FOR 130-160 SCHOLARS	25,000
WATERSIDE WORKSHOPS 84 BOLIVAR DRIVE BERKELEY, CA 94710	N/A	PC	EXPANDED THERAPEUTIC SERVICES	20,000
Total . . . . ▶ **3a**				182,000

TY 2016 Accounting Fees Schedule

Name: MARGOES FOUNDATION

EIN: 94-2955164

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	4,275	2,138		2,137

TY 2016 Investments Government Obligations Schedule

Name:	MARGOES FOUNDATION
EIN:	94-2955164
US Government Securities - End of Year Book Value:	35,071
US Government Securities - End of Year Fair Market Value:	35,071
State & Local Government Securities - End of Year Book Value:	0
State & Local Government Securities - End of Year Fair Market Value:	0

TY 2016 Investments - Other Schedule

Name: MARGOES FOUNDATION

EIN: 94-2955164

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
EQUITY FUNDS-EXHIBIT 2	FMV	4,297,747	4,297,747

TY 2016 Other Decreases Schedule

Name: MARGOES FOUNDATION

EIN: 94-2955164

Description	Amount
UNREALIZED APPRECIATION - SECURITIES (TOTAL)	84,854
UNREALIZED APPRECIATION - SECURITIES (PRIOR YEAR)	226,341

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93491187004117

TY 2016 Other Expenses Schedule

Name: MARGOES FOUNDATION

EIN: 94-2955164

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
BANK FEES	1,320	660		660
INSURANCE	3,680	0		3,680

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93491187004117

TY 2016 Other Professional Fees Schedule

Name: MARGOES FOUNDATION

EIN: 94-2955164

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT ADVISORY FEES	30,352	30,352		0
PACIFIC FOUNDATION SERVICES	45,534	0		45,534

TY 2016 Taxes Schedule

Name: MARGOES FOUNDATION

EIN: 94-2955164

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
CA FILING FEES	80	0		80

MARGOES FOUNDATION

ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2016

GENERAL INFORMATION

CURRENT PROGRAM PRIORITIES

GRANT PROPOSAL & REPORTING GUIDELINES

GRANT AWARDS AND PAYMENTS

OFFICERS AND DIRECTORS

Cal C. Harling
Chairman & Director

Neal L. Petersen
Secretary & Director

Richard Martinez
Director

Mark Moskowitz
Director

Mary Anne Schuett
Director

Holly Williamson
Director

ADVISORS

Pacific Foundation Services, LLC
Amy Freeman, Managing Director

1660 BUSH STREET, SUITE 300, SAN FRANCISCO, CA 94109

(415) 561-6540 FAX: (415) 561-6477
E-MAIL: afreeman@pfs-llc.net

GENERAL INFORMATION

The Margoes Foundation was established in 1984 by the will of John A. Margoes and operates as a private foundation incorporated under California law.

GRANT PROGRAM HISTORY

John Margoes envisioned that the foundation would be a resource and catalyst for supporting imaginative and creative program opportunities that enabled:

- Minority and other disadvantaged youth to obtain a college education.
- People with mental disabilities to live in non-institutional environments and lead productive lives.

ELIGIBLE APPLICANTS

The foundation accepts grant requests <u>only</u> from tax-exempt, charitable organizations that are not defined as private foundations under Section 501(c)(3) of the Internal Revenue Code.

GEOGRAPHICAL FOCUS

The foundation prefers to fund eligible non-profit organizations located in the San Francisco Bay Area to facilitate interactions with grantees and oversight of the grant.

TERM OF GRANT

Grants are awarded for a one-year period and may be extended based on grantee performance and program effectiveness.

PROGRAM LIMITATIONS

The foundation does <u>not</u>:

- Accept requests from individuals or award loans, scholarships, or grants to individuals.
- Award grants for annual fund campaigns, fundraising events, operating deficits, endowments, sectarian religious activities or sectarian religious facilities.
- Assume any obligation to provide continuing support to grantees.

CURRENT GRANTMAKING FOCUS AREAS

PRIMARY FOCUS AREAS

1) The foundation places a high priority on funding college access and success programs that help prepare low-income, and other disadvantaged students to qualify for college and graduate with a degree. Programs include:

   COLLEGE ACCESS PROGRAMS

   - After-school and academically focused summer college access programs that help students improve competencies in secondary school subjects and better qualify for college admissions, including: tutoring, mentoring, computer literacy, supplemental math and science, arts, and music.

   COLLEGE SCHOLARSHIP AND FINANCIAL AID PROGRAMS

   - Institutional college scholarship and financial aid programs, and student support programs for promising low-income, minority, and disadvantaged students.

2) The foundation places a high priority on programs that help people with mental illness live in non-institutional environments and lead productive lives. Programs include:

   - Support to community-based programs that empower people with mental illness to live independently and lead productive lives.
   - Support to programs that improve delivery of mental health services for young people turning 18 and transitioning from residential therapeutic care to independent living.

3) <u>The foundation is interested in proposals that integrate the above listed primary focus areas such as:</u>

   - Programs that assist mentally ill youth or young adults to attend or complete college.
   - Programs that encourage low-income, first generation, and other underserved students to pursue an education in the fields of mental health or social work.

GRANT PROPOSAL GUIDELINES

The Margoes Foundation accepts and reviews grant proposals twice a year. Applicants should contact the foundation if they have questions about the current grantmaking priorities and application procedures.

The Foundation utilizes an online grants management portal where applicants can submit requests, file reports, and review their grant history, in order to streamline the application process. Applicants should visit the foundation's website for application instructions.

Narrative Questions

The proposal narrative should answer the following questions:

- Concise description of your organization including an overview of programs/services provided (limit 250 words).
- Population served by program/project, including the total number of people served, ages, geographic location, demographics, and socio economic status (limit 125 words).
- Description of the program/project or services provided including the need, how this approach addresses the need, activities and timeline (limit 500 words).
- What are the anticipated outcomes of the program? How will you measure them? (limit 300 words)
- Please include qualifications of the lead staff of the organization and the program (limit 250 words).

Documents to Upload

The following documents must be uploaded when submitting a proposal online:

- Organization budget detailing all proposed expenditures and projected sources of funding (required).
- Program/project budget (if applicable) detailing all proposed expenditures and projected sources of funding.
- A list of other funders (including amounts, whether single or multi-year, and whether pending or committed) for the program/project and for the organization as a whole (required).
- Financial statement showing actual revenue and expenses for the agency's most recently completed fiscal year (required).
- List of board members and their affiliations (required).

GRANT REPORTING GUIDELINES

All grantees are required to submit an online report at the completion of the grant period, as specified in the grant agreement.

Narrative Questions

The grant report narrative should answer the following questions:

- What were the specific objectives of the funded project/program?
- In what specific ways were these objectives met?
- What objectives were not met and why?
- What future plans do you have for the funded project/program?
- With 20/20 hindsight, is there anything you might have done differently, or is there anything you learned that will change the program in the future?

Documents to Upload

The following documents must be uploaded when submitting a report online:

- A financial statement for the project (or if not a project, then for the organization) that shows how the grant funds were spent. (You can annotate the financial statement if that is a convenient way to explain the expenditures to us). Please include any pertinent invoices when applicable.

REAPPLICATION GUIDELINES

Grantees who wish to be considered for subsequent grant funding should submit a new application.

VENTURE PHILANTHROPY AWARD 2017

The Margoes Foundation is looking for new and innovative college access and success programs that prepare low-income and under-represented students to qualify for and succeed at four year universities. Candidates will be San Francisco Bay Area based organizations:

- At early stages of development seeking funds to launch a program or service that has the potential to be scaled at a statewide or national level
- With a revenue generation model for long-term sustainability.

In 2017, the Margoes Foundation will award one Venture Philanthropy (VP) grant to the most promising program presented. The successful applicant will be awarded a three-year grant of $50,000 per year, pending achievement of agreed upon benchmarks.

MARGOES FNDN

December 1, 2016 to December 31, 2016

ASSET DETAIL

Taxable Bonds

US Government Issues

F N M A Partn Cert - 31371KXT3 Pool #254590 5 000 01/01/2018								
	1,327 190	102 3400	1,358 25	1,327 39	30 86	0 0	66 36	4 89
F N M A Partn Cert - 31403FXJ8 Pool #747781 4 500 10/01/2018								
	3,392 370	102 7750	3,486 51	3,393 00	93 51	0 1	152 66	4 38
G N M A Pass Thru Cert - 36212CUE9 Pool #529881 6 000 03/15/2031								
	15,512 310	113 4580	17,599 96	15,542 82	2,057 14	0 4	930 74	5 29
G N M A Pass Thru Cert - 36212R6Z6 Pool #541888 6 000 05/15/2031								
	4,616 620	113 4640	5,238 20	4,626 11	612 09	0 1	277 00	5 29

usbank.

MARGOES FNDN

December 1, 2016 to December 31, 2016

ASSET DETAIL (continued)

Security Description	Shares/Face Amt	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Percent of Total Portfolio	Estimated Annual Income	Estimated Current Yield
G N M A Pass Thru Cert - 36213UHY9 Pool #564647 6 000 06/15/2031	1,106 310	115 9130	1,282 36	1,108 44	173 92	0 0	66 38	5 18
G N M A Pass Thru Cert - 36213LNG1 Pool #557591 6 000 07/15/2031	2,551 830	113 4180	2,894 23	2,557 16	337 07	0 1	153 11	5 29
G N M A Pass Thru Cert - 36200RVF6 Pool #570414 6 000 10/15/2031	2,832.600	113 3710	3,211 35	2,838 38	372 97	0.1	169 96	5 29
Total US Government Issues			**$35,070.86**	**$31,393.30**	**$3,677.56**	**0.8**	**$1,816.21**	
Total Taxable Bonds			**$35,070.86**	**$31,393.30**	**$3,677.56**	**0.8**	**$1,816.21**	

Stocks

Equity Funds

Security Description	Shares/Face Amt	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Percent of Total Portfolio	Estimated Annual Income	Estimated Current Yield
Ishares Dow Jones US Oil & Gas Ex - IEO Index Etf	1,350 000	65 4400	88,344 00	98,999 62	-10,655 62	2 0	869 40	0.98
Ishares Dow Jones US Oil Equipment - IEZ Index Etf	1,470 000	45 4500	66,811 50	64,689 11	2,122 39	1.5	607 11	0 91
Ishares Msci Eafe Growth Index Etf - EFG	5,750 000	63.6900	366,217 50	378,058.58	-11,841 08	8.2	8,044 25	2 20
Spdr S & P Oil Gas Exp & Prodtn - XOP	1,950 000	41 4200	80,769 00	99,488 96	-18,719 96	1.8	614 25	0 76

usbank

MARGOES FNDN

December 1, 2016 to December 31, 2016

ASSET DETAIL (continued)

Security Description / Shares/Face Amt	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Percent of Total Portfolio	Estimated Annual Income	Estimated Current Yield
Spdr S P Emerging Small Cap - EWX							
5,386 000	39 7200	213,931 92	217,430.92	-3,499 00	4 8	5,256 74	2 46
Spdr S&p Biotech Etf - XBI							
3,081.000	59 1900	182,364 39	185,965 42	-3,601 03	4 1	471 39	0 26
Vanguard Consumer Discretionary - VCR Vipers							
628 000	128 6700	80,804 76	82,248 91	-1,444 15	1 8	1,289 91	1 60
Vanguard Consumer Staples Etf - VDC							
622 000	133.9900	83,341 78	82,291 36	1,050.42	1 9	1,996 00	2 39
Vanguard Energy Etf - VDE							
2,065 000	104 6800	216,164 20	206,554 43	9,609 77	4 8	4,984 91	2 31
Vanguard Financials Etf - VFH							
3,656 000	59 3500	216,983 60	215,311 32	1,672 28	4 9	3,542.66	1 63
Vanguard Ftse All Wo X US Sc - VSS							
1,180 000	94 0300	110,955.40	112,860 06	-1,904 66	2 5	3,246 18	2 93
Vanguard Ftse All World Ex U - VEU							
11,738 000	44 1800	518,584 84	520,447 85	-1,863 01	11.6	15,353 30	2 96
Vanguard Ftse Emerging Markets Etf - VWO							
9,832 000	35 7800	351,788 96	374,552 82	-22,763 86	7 9	8,848 80	2 51
Vanguard Health Care Etf - VHT							
896.000	126 7700	113,585 92	113,810 00	-224 08	2 5	1,652 22	1 45
Vanguard Industrials Etf - VIS							
1,597 000	119 2600	190,458 22	182,260 16	8,198 06	4 3	3,452 71	1 81
Vanguard Info Tech Etf - VGT							
2,656 000	121 5000	322,704.00	317,009 61	5,694 39	7 2	4,231 01	1 31
Vanguard Material Vipers Index Fd - VAW							
266 000	112 4400	29,909 04	30,365 07	-456 03	0 7	499 81	1 67

usbank.

MARGOES FNDN

December 1, 2016 to December 31, 2016

ASSET DETAIL (continued)

Security Description / Shares/Face Amt	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Percent of Total Portfolio	Estimated Annual Income	Estimated Current Yield
Vanguard Mid Cap Etf - VO							
1,875 000	131 6300	246,806 25	249,864 96	-3,058 71	5 5	3,575 63	1 45
Vanguard Small Cap Etf - VB							
949.000	128 9600	122,383 04	123,120 33	-737 29	2 7	1,831 57	1 50
Wisdom Tree International Dividend - DOO Ex-Financials Fund							
9,113 000	37 3700	340,552 81	381,304 93	-40,752 12	7 6	13,569 26	3 98
Wisdomtree Em Small Cap - DGS							
4,450 000	39.1100	174,039 50	199,493 50	-25,454 00	3 9	5,958.55	3 42
Wisdomtree EUR S/C Dividend Fund - DFE							
3,300 000	54 6200	180,246 00	150,150 00	30,096 00	4 0	7,299 60	4 05
Total Equity Funds		**$4,297,746.63**	**$4,386,277.92**	**-$88,531.29**	**96.2**	**$97,195.26**	