

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.
► Go to www.irs.gov/Form990PF for instructions and the latest information.

2017

Open to Public Inspection

For calendar year 2017 or tax year beginning , 2017, and ending , 20

Name of foundation

THE GRAEER FOUNDATION

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

A Employer identification number

11-3631379

132 COUNTRY CLUB DRIVE

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

Room/suite

PORT WASHINGTON, NY 11050

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

B Telephone number (see instructions)

(516) 365-6572

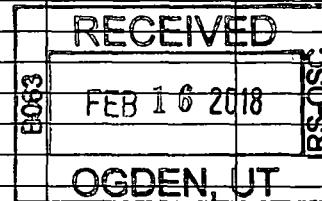
H Check type of organization. Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

C If exemption application is pending, check here ►

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 60,632 (Part I, column (d) must be on cash basis.)

D 1. Foreign organizations, check here ► 2. Foreign organizations meeting the 85% test, check here and attach computation ► E If private foundation status was terminated under section 507(b)(1)(A), check here ► F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ►

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received (attach schedule)	25,000			
2	Check ► <input type="checkbox"/> if the foundation is not required to attach Sch. B				
3	Interest on savings and temporary cash investments	408	408		
4	Dividends and interest from securities				
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10				
b	Gross sales price for all assets on line 6a				
7	Capital gain net income (from Part IV, line 2)				
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	25,408	408		
Revenue	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)				
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
Operating and Administrative Expenses	23 Other expenses (attach schedule)	290	290		290
	24 Total operating and administrative expenses. Add lines 13 through 23	290	290		290
	25 Contributions, gifts, grants paid	25,150			25,150
	26 Total expenses and disbursements. Add lines 24 and 25	25,440	290		25,440
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	(32)			
	b Net investment income (if negative, enter -0-)		118		
	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	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1. Cash—non-interest-bearing		1,392	8,252	8,252
	2. Savings and temporary cash investments		51,272	46,880	46,880
	3. Accounts receivable ►				
	Less: allowance for doubtful accounts ►				
	4. Pledges receivable ►				
	Less: allowance for doubtful accounts ►				
	5. Grants receivable				
	6. Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)				
	7. Other notes and loans receivable (attach schedule) ►				
	Less: allowance for doubtful accounts ►				
	8. Inventories for sale or use				
	9. Prepaid expenses and deferred charges				
	10a. Investments—U.S. and state government obligations (attach schedule)				
	b. Investments—corporate stock (attach schedule)				
	c. Investments—corporate bonds (attach schedule)				
Liabilities	11. Investments—land, buildings, and equipment: basis ►				
	Less: accumulated depreciation (attach schedule) ►				
	12. Investments—mortgage loans				
	13. Investments—other (attach schedule)		8,000	5,500	5,500
	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)		60,664	60,632	60,632
Net Assets or Fund Balances	17. Accounts payable and accrued expenses				
	18. Grants payable				
	19. Deferred revenue				
	20. Loans from officers, directors, trustees, and other disqualified persons				
	21. Mortgages and other notes payable (attach schedule)				
	22. Other liabilities (describe ►)				
	23. Total liabilities (add lines 17 through 22)		0	0	
	Foundations that follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 24 through 26, and lines 30 and 31.				
	24. Unrestricted				
	25. Temporarily restricted				
	26. Permanently restricted				
	Foundations that do not follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 27 through 31.				
	27. Capital stock, trust principal, or current funds		319,255	344,255	
	28. Paid-in or capital surplus, or land, bldg., and equipment fund				
	29. Retained earnings, accumulated income, endowment, or other funds		(258,591)		
	30. Total net assets or fund balances (see instructions)			(283,623)	
	31. Total liabilities and net assets/fund balances (see instructions)		60,664	60,632	

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	60,664
2. Enter amount from Part I, line 27a	2	(32)
3. Other increases not included in line 2 (itemize) ►	3	0
4. Add lines 1, 2, and 3	4	60,632
5. Decreases not included in line 2 (itemize) ►	5	0
6. Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	60,632

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (for example, 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					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69.			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2		
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 doesn't 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))
2016	3,617	60,345	.060
2015	2,984	41,674	.072
2014	4,705	43,232	.109
2013	1,336	44,448	.030
2012	18,005	51,457	.350
2 Total of line 1, column (d)			.621
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5.0, or by the number of years the foundation has been in existence if less than 5 years			.124
4 Enter the net value of noncharitable-use assets for 2017 from Part X, line 5			48,601
5 Multiply line 4 by line 3			6,027
6 Enter 1% of net investment income (1% of Part I, line 27b)			2
7 Add lines 5 and 6			6,029
8 Enter qualifying distributions from Part XII, line 4			25,438
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 ► <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)	1	2
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations, enter 4% of Part I, line 12, col. (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only; others, enter -0-)	2	0
3	Add lines 1 and 2	3	2
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	2
6	Credits/Payments:		
a	2017 estimated tax payments and 2016 overpayment credited to 2017	6a	7
b	Exempt foreign organizations—tax withheld at source	6b	0
c	Tax paid with application for extension of time to file (Form 8868)	6c	8
d	Backup withholding erroneously withheld	6d	0
7	Total credits and payments. Add lines 6a through 6d	7	0
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	9
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	2
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0
11	Enter the amount of line 10 to be. Credited to 2018 estimated tax ► Refunded ►	11	0

Part VII-A Statements Regarding Activities

	Yes	No
1a	✓	
1b	✓	
1c	✓	
2	✓	
3	✓	
4a	✓	
4b		
5	✓	
6	✓	
7	✓	
8a		
b		
9		
10	✓	2

New York

8a Enter the states to which the foundation reports or with which it is registered. See instructions. ►

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

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 2017 or the tax year beginning in 2017? See the instructions for Part XIV. If "Yes," complete Part XIV

10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses

Part VII-A Statements Regarding Activities (continued)

	Yes	No
11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule. See instructions	11	✓
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	✓
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ►	13	✓
14 The books are in care of ► H. RICHARD GRAFER Located at ► 132 COUNTRY CLUB DR., PORT WASHINGTON, NY	Telephone no. ► (516) 365-6572 ZIP+4 ► 11050-4509	
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	► <input type="checkbox"/>
16 At any time during calendar year 2017, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ►	16	✓

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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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.)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance? See instructions Organizations relying on a current notice regarding disaster assistance, check here ► <input type="checkbox"/>	1b	
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 2017?	1c	✓
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 2017, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2017? If "Yes," list the years ► 20____, 20____, 20____, 20____	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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____	3b	
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? If "Yes," list the years here. ► 20____, 20____, 20____, 20____	4a	✓
b If "Yes," did it have excess business holdings in 2017 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 2017.)	4b	✓
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		
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 2017?		

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

		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
5a	During the year, did the foundation pay or incur any amount to:		
(1)	Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	<input type="checkbox"/>	<input checked="" type="checkbox"/> Yes
(2)	Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/>	<input checked="" type="checkbox"/> Yes
(3)	Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/>	<input checked="" type="checkbox"/> Yes
(4)	Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? See instructions	<input type="checkbox"/>	<input checked="" type="checkbox"/> Yes
(5)	Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	<input type="checkbox"/>	<input checked="" type="checkbox"/> Yes
b	If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance? See instructions		
	Organizations relying on a current notice regarding disaster assistance, check here ► <input type="checkbox"/>		
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?	<input type="checkbox"/>	<input type="checkbox"/> Yes
	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?	<input type="checkbox"/>	<input checked="" type="checkbox"/> Yes
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870.		
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/>	<input checked="" type="checkbox"/> Yes
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	<input type="checkbox"/>	
			7b

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, and foundation managers and their compensation. See instructions.**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
H. RICHARD GRAFER, 132 COUNTRY CLUB DR., PORT WASHINGTON, NY 11050	TRUSTEE/2 HOURS	0	0	0
GLORIA G. GRAFER, 132 COUNTRY CLUB DR., PORT WASHINGTON, NY 11050	TRUSTEE/2 HOURS	0	0	0
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-----	-----	-----	-----	-----

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

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

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

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

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

Part IX A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
<p>1 <u>The Foundation periodically provides direct support to unrelated needy individuals, individuals in crisis and/or victims of disaster in minor amounts consistent with its mission and IRS-approved tax exempt status. It provides such support under a Program entitled "Operation Smile". However, no such support was provided during 2017.</u></p>	
<p>2 _____</p> <p>_____</p>	
<p>3 _____</p> <p>_____</p>	
<p>4 _____</p> <p>_____</p>	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2		Amount
1	NONE	
2		
3	NONE	
All other program-related investments. See instructions		
Total.	Add lines 1 through 3	►

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes.		
a	Average monthly fair market value of securities	1a	39,405
b	Average of monthly cash balances	1b	2,144
c	Fair market value of all other assets (see instructions)	1c	7,792
d	Total (add lines 1a, b, and c)	1d	49,341
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	49,341
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	740
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	48,601
6	Minimum investment return. Enter 5% of line 5	6	2,430

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations, check here ► and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	2,430
2a	Tax on investment income for 2017 from Part VI, line 5	2a	2
b	Income tax for 2017. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	2
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	2,428
4	Recoveries of amounts treated as qualifying distributions	4	0
5	Add lines 3 and 4	5	2,428
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	2,428

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	25,440
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	0
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	0
b	Cash distribution test (attach the required schedule)	3b	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8; and Part XIII, line 4	4	25,440
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	2
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	25,438

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 2016	(c) 2016	(d) 2017
1 Distributable amount for 2017 from Part XI, line 7				2,428
2 Undistributed income, if any, as of the end of 2017:				
a Enter amount for 2016 only			0	
b Total for prior years 20 ____,20 ____,20 ____		0		
3 Excess distributions carryover, if any, to 2017:				
a From 2012	15,542			
b From 2013	0			
c From 2014	2,552			
d From 2015	912			
e From 2016	613			
f Total of lines 3a through e	19,619			
4 Qualifying distributions for 2017 from Part XII, line 4: ► \$ 24,440				
a Applied to 2016, 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 2017 distributable amount				2,428
e Remaining amount distributed out of corpus	22,012			
5 Excess distributions carryover applied to 2017 (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	41,631			
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 2016. Subtract line 4a from line 2a. Taxable amount—see instructions			0	
f Undistributed income for 2017. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2018			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 2012 not applied on line 5 or line 7 (see instructions) .	15,542			
9 Excess distributions carryover to 2018. Subtract lines 7 and 8 from line 6a	26,089			
10 Analysis of line 9:				
a Excess from 2013	0			
b Excess from 2014	2,552			
c Excess from 2015	912			
d Excess from 2016	613			
e Excess from 2017	22,012			

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 2017, enter the date of the ruling ►				
b	Check box to indicate whether the foundation is a private operating foundation described in section <input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)				
2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed				
	Tax year		Prior 3 years		(e) Total
	(a) 2017	(b) 2016	(c) 2015	(d) 2014	
b					
c					
d					
e					
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 $\frac{2}{3}$ 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 foundation had \$5,000 or more in assets at any time during the year—see instructions.)

1 Information Regarding Foundation Managers:

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

H. RICHARD & GLORIA G. GRAFER

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., to individuals or organizations under other conditions, complete items 2a, b, c, and d. See instructions.

a The name, address, and telephone number or email address of the person to whom applications should be addressed.

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

c Any submission deadlines:

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

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
SEE ATTACHED SCHEDULE				\$25,150
Total				3a \$25,150
b Approved for future payment				
NONE				0
Total				3b 0

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

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

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

13

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

Part XVII. Information Regarding Transfers to and Transactions and Relationships With Noncharitable Exempt Organizations

1	.Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		
		Yes	No
a	Transfers from the reporting foundation to a noncharitable exempt organization of:		
(1)	Cash	1a(1)	✓
(2)	Other assets	1a(2)	✓
b	Other transactions.		
(1)	Sales of assets to a noncharitable exempt organization	1b(1)	✓
(2)	Purchases of assets from a noncharitable exempt organization	1b(2)	✓
(3)	Rental of facilities, equipment, or other assets	1b(3)	✓
(4)	Reimbursement arrangements	1b(4)	✓
(5)	Loans or loan guarantees	1b(5)	✓
(6)	Performance of services or membership or fundraising solicitations	1b(6)	✓
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c	✓
d	If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.		

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) (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		12/11/18	Trustee
	Date	Title	May the IRS discuss this return with the preparer shown below? See instructions <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

May the IRS discuss this return
with the preparer shown below?
See instructions Yes No

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ►			Firm's EIN ►	
	Firm's address ►			Phone no	

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

OMB No 1545-0047

2017

- Attach to Form 990, Form 990-EZ, or Form 990-PF.
- Go to www.irs.gov/Form990 for the latest information.

Name of the organization**THE GRAFER FOUNDATION****Organization type (check one):****Filers of:****Section:**

Form 990 or 990-EZ

 501(c)() (enter number) organization 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation 527 political organization

Form 990-PF

 501(c)(3) exempt private foundation 4947(a)(1) nonexempt charitable trust treated as a private foundation 501(c)(3) taxable private foundation**Check if your organization is covered by the General Rule or a Special Rule.****Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

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

Special Rules

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

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

Name of organization THE GRAFER FOUNDATION	Employer identification number 11-3631379
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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
	H. RICHARD & GLORIA G. GRAFER 132 COUNTRY CLUB DRIVE PORT WASHINGTON, NY 11050-4509	\$ 25,000	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash (Complete Part II for noncash contributions)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash (Complete Part II for noncash contributions.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash (Complete Part II for noncash contributions.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash (Complete Part II for noncash contributions.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash (Complete Part II for noncash contributions.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
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Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
-----	-----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
-----	-----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
-----	-----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
-----	-----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
-----	-----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
-----	-----	\$ -----	-----

Name of organization

Employer identification number

Part III *Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor.* Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of *exclusively religious, charitable, etc.* contributions of **\$1,000 or less** for the year. (Enter this information once. See instructions.) ► \$ _____

Use duplicate copies of Part III if additional space is needed.

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

THE GRAFER FOUNDATION---2017 FORM 990 PF SCHEDULES

PART I, LINE 23---SCHEDULE OF OTHER EXPENSES

New York State Dept. of Law filing fee	\$ 50
Excise tax on investment income paid to U.S. Treasury	13
Partial write-off of bad loan receivable dated November 5, 2013	2,500
Less recovery of Madoff theft loss for which no tax benefit was received	(2,273)
Total	\$ 290

PART II, LINE 13---SCHEDULE OF INVESTMENTS-OTHER

Loan receivable from an unrelated individual dated November 5, 2013, maturing on May 25, 2014 with 6 month renewal options; interest is payable at 5-7% with a royalty participation clause (Note: This individual has been unemployed off and on for several years. Therefore, the loan may qualify as a "program-related investment" under the activities described in Form 1023 approved by the IRS. However, the individual also owns patents that have substantial value, which the Foundation has the right to participate in if and when such value is realized in the future. Consequently, the investment has an investment purpose in addition to a charitable purpose and is, therefore, classified as an Investment-Other vs. a program-related investment). An earlier loan was repaid, but a new loan with the same terms was granted on November 25, 2013 when the individual again became unemployed.

At December 31, 2016	\$5,000
At December 31, 2017	\$2,500

Loan receivable from St. Peter of Alcantara Church dated October 4, 2015 related to the funding of an orphanage in Uganda being supported by the Mission Board of the Church and its parishioners and overseen by Bridge for Peace, another 501c(3) organization. The loan is to be repaid via future Sunday collections and is one of several such loans made by parishioners. A prior loan of \$1,500 for the construction of a medical facility in Guatemala was repaid during 2015.

At December 31, 2016	\$3,000
At December 31, 2017	\$3,000

PART VII-A, LINE 10---SUBSTANTIAL CONTRIBUTORS

The following Founders, Managers and Trustees of the Foundation have been "Substantial Contributors" in the past. In 2017 they contributed an additional \$25,000 to the Foundation:

H. Richard & Gloria G. Grafer
132 Country Club Drive
Port Washington, NY 11050

PART VII-A, LINE 12---DISTRIBUTION TO A DONOR ADVISED FUND

In 2017 the Foundation made a \$15,000 donation to the newly-established Gloria Grafer Critical Needs Fund at the Long Island Community Foundation. H. Richard & Gloria G. Grafer, Founders, Managers and Trustees of The Grafer Foundation, are "Advisers" to this donor advised fund.

PART XV, LINE 3a---GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

See the attached detailed schedule.

FORM 990 PF---PART XV---SUPPLEMENTARY INFORMATION

3a---GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR 2017

RECIPIENT NAME AND ADDRESS	PURPOSE OF GRANT OR CONTRIBUTION	RELATIONSHIP TO MANAGER OR SUBSTANTIAL CONTRIBUTOR	FOUNDATION STATUS OF RECIPIENTS	AMOUNT IN DOLLARS
Family and Children's Association 100 East Old Country Road Mineola, NY 11501	Payment to support various fundraising events and the scholarship fund of this large human services agency on Long Island	Foundation Trustee is on Board of Trustees	Foundation Trustee is on Board of Trustees	\$2,000
Make-A-Wish Foundation of Metro and Western New York 1111 Marcus Avenue Lake Success, NY 11042	Payment to support the activities, events and endowment fund for wish-granting to children with life threatening illnesses	Unrelated	Unrelated	1,000
RotaCare, Inc. 875 Jerusalem Avenue Uniondale, NY 11553	Payment to support the activities of this medical clinic for the poor and uninsured	Foundation Trustee is on Board of Directors	Foundation Trustee is on Board of Directors	500
Swim Across America One International Plaza, Ste 4600 Boston, MA 02110	Payment to support an annual fundraising event for cancer research	None	Unrelated	250
Operation Smile--The Grafer Foundation 132 Country Club Drive Port Washington, NY 11050	Grants to Isaac Recovery Fund (disease victim), M/M Gregory S. (fire victims) and SUNY Old Westbury for Andrew A. (educational support), former client of Family and Children's Association	None	Grants to individuals for qualifying purposes in relatively small amounts are permitted by the Foundation's IRS approval letter and are made via "Operation Smile"	1,750
The College of William & Mary Athletic Educational Foundation P.O. Box 1693 Williamsburg, VA 23187	Payment to support the activities of this athletic educational organization	None	Unrelated	0
Trigeminal Neuralgia Association 2801 Archer Road, Suite C Gainesville, FL 32608	Payment to support the activities and programs of this disease management and research organization	None	Unrelated	0
St. Baldrick's Foundation 1333 South Mayflower Avenue, Monrovia, CA 91016	Payments to support childhood cancer research	None	Unrelated	700
ERASE Racism 6800 Jericho Turnpike Syosset, NY 11791	Payment to support activities seeking the elimination of racism on LI	None	Unrelated	100
Success Academy Charter School 95 Pine Street New York, NY 10005	Payment to support the educational activities of this NFP charter school	None	Unrelated	250

National Kidney Foundation, Inc. 30 East 33rd Street New York, NY 10016	Payment to support disease research and related activities	None	Unrelated	100
Long Island Council on Alcoholism and Drug Dependence 1025 Old Country Road Westbury, NY 11590	Payment to support the addiction services of this agency	None	Unrelated	1,500
The DeRosa Foundation 160 Plandome Road Manhasset, NY 11030	Payment to support colon cancer research and patient assistance	None	Unrelated	250
Girl Scouts of Northern NJ 300 Forest Drive Paramus, NJ 07652	Payment to support programs educating young girls	None	Unrelated	100
St. Peter of Alcantara Church 1327 Port Washington Blvd. Port Washington, NY 11050	Payments to support various charitable activities and affiliates of this church	Foundation Trustees are on the Mission Board of this Church	Foundation Trustees are on Mission Board of this Church	300
Animal Haven 200 Centre Street New York, NY 10013	Payment to support this shelter for abused and/or abandoned animals	None	Unrelated	500
The Kiwanis Club of Manhasset- Port Washington Foundation P.O. Box 1726 Port Washington, NY 11050	Payment to support the various charitable recipients of this Foundation	None	Unrelated	300
USO of Metropolitan New York PO Box 96808 Washington, DC 20077-7671	Payment to support US troops and their families served by this organization	None	Unrelated	50
Community Chest of Port Washington 382 Main Street Port Washington, NY 11050	Payment to support the annual fundraising campaign of this community support organization	None	Unrelated	500
Community Funds, Inc 909 Third Avenue New York, NY 10022	Payment to a donor-advised fund of The New York Community Trust/Long Island Community Foundation Division	Foundation Trustees are "advisers" to this fund but can only "recommend" grants	Foundation Trustees are "advisers" to this fund but can only "recommend" grants	15,000
TOTAL				\$25,150