Extended to November 15, 2018 2949132814604 8

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.

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

OMB No 1545-0052

2017

Open to Public Inspection

For calendar year 2017 or tax year beginning , and ending

Name of foundation: THE F.B. HERON FOUNDATION

A Employer identification number: 13-3647019

Number and street (or P O box number if mail is not delivered to street address): 135 W 41 STREET | Room/suite

B Telephone number: (212)404-1800

City or town, state or province, country, and ZIP or foreign postal code: NEW YORK, NY 10036

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: [X] 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) ▶$ 309,920,089.

J Accounting method: [ ] Cash [X] 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))

		(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			N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	38.	38.		Statement 2
	4 Dividends and interest from securities	7,179,182.	6,774,505.		Statement 3
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	6,644,093.			Statement 1
	b Gross sales price for all assets on line 6a 49,641,827.				
	7 Capital gain net income (from Part IV, line 2)		7,226,179.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income	92,500.	0.		Statement 4
	12 **Total** Add lines 1 through 11	13,915,813.	14,000,722.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	1,008,580.	154,010.		854,570.
	14 Other employee salaries and wages	1,504,489.	229,849.		1,187,000.
	15 Pension plans, employee benefits	803,647.	122,717.		680,930.
	16a Legal fees Stmt 5	76,891.	22,967.		56,764.
	b Accounting fees Stmt 6	65,425.	5,411.		63,514.
	c Other professional fees Stmt 7	1,527,842.	742,895.		779,404.
	17 Interest				
	18 Taxes Stmt 8	201,000.	0.		0.
	19 Depreciation and depletion				
	20 Occupancy	384,015.	58,652.		381,029.
	21 Travel, conferences, and meetings	230,581.	20,376.		213,732.
	22 Printing and publications				
	23 Other expenses Stmt 9	397,465.	155,439.		267,000.
	24 **Total operating and administrative expenses** Add lines 13 through 23	6,199,935.	1,512,316.		4,483,943.
	25 Contributions, gifts, grants paid	4,205,428.			4,181,678.
	26 **Total expenses and disbursements.** Add lines 24 and 25	10,405,363.	1,512,316.		8,665,621.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	3,510,450.			
	b **Net investment income** (if negative, enter -0-)		12,488,406.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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Part II Balance Sheets (Attached schedules and amounts in the description column should be for end-of-year amounts only)		Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	1,729,788.	2,799,248.	2,799,248.
	2 Savings and temporary cash investments	5,956,711.	2,452,688.	2,452,688.
	3 Accounts receivable ▶ 639,873.			
	Less: allowance for doubtful accounts ▶	639,265.	639,873.	639,873.
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	216,144.	217,369.	217,369.
	10a Investments - U.S. and state government obligations Stmt 11	46,692,792.	48,824,837.	48,824,837.
	b Investments - corporate stock Stmt 12	109,469,943.	128,322,671.	128,322,671.
	c Investments - corporate bonds Stmt 13	23,384,052.	25,960,518.	25,960,518.
	11 Investments - land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other Stmt 14	74,967,981.	91,122,245.	91,122,245.
	14 Land, buildings, and equipment: basis ▶ 691,321.			
	Less accumulated depreciation Stmt 15 ▶ 691,321.			
	15 Other assets (describe ▶ Statement 16)	12,791,504.	9,580,640.	9,580,640.
	16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	275,848,180.	309,920,089.	309,920,089.
Liabilities	17 Accounts payable and accrued expenses	468,053.	568,873.	
	18 Grants payable	16,000.	39,750.	
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶ Statement 17)	630,523.	1,218,755.	
	23 Total liabilities (add lines 17 through 22)	1,114,576.	1,827,378.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ [X] and complete lines 24 through 26, and lines 30 and 31			
	24 Unrestricted	274,733,604.	308,092,711.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ [ ] and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances	274,733,604.	308,092,711.	
	31 Total liabilities and net assets/fund balances	275,848,180.	309,920,089.	

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	274,733,604.
2 Enter amount from Part I, line 27a	2	3,510,450.
3 Other increases not included in line 2 (itemize) ▶ See Statement 10	3	29,848,657.
4 Add lines 1, 2, and 3	4	308,092,711.
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	308,092,711.

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	See Attached Statements			
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	49,641,827.		42,415,648.	7,226,179.

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

	(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a				
b				
c				
d				
e				7,226,179.

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	7,226,179.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		3	N/A

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

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

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

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

If "Yes," the foundation 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	16,326,309.	257,413,643.	.063424
2015	11,963,385.	266,667,036.	.044863
2014	14,616,208.	272,919,958.	.053555
2013	15,335,780.	258,715,980.	.059277
2012	9,279,663.	235,797,771.	.039354

2 **Total** of line 1, column (d)	2	.260473
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	3	.052095
4 Enter the net value of noncharitable-use assets for 2017 from Part X, line 5	4	277,044,258.
5 Multiply line 4 by line 3	5	14,432,621.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	124,884.
7 Add lines 5 and 6	7	14,557,505.
8 Enter qualifying distributions from Part XII, line 4	8	9,854,552.

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	249,768.
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	249,768.
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	249,768.
6	Credits/Payments:				
a	2017 estimated tax payments and 2016 overpayment credited to 2017	6a	285,940.		
b	Exempt foreign organizations - tax withheld at source	6b	0.		
c	Tax paid with application for extension of time to file (Form 8868)	6c	0.		
d	Backup withholding erroneously withheld	6d	0.		
7	Total credits and payments. Add lines 6a through 6d			7	285,940.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☒ if Form 2220 is attached			8	164.
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	36,008.
11	Enter the amount of line 10 to be: **Credited to 2018 estimated tax** ▶ 36,008. **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		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes? See the instructions for the definition	1b		X
	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		X
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		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	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		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	7	X	
8a	Enter the states to which the foundation reports or with which it is registered. See instructions. ▶ NY			
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	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2017 or the tax year beginning in 2017? See the instructions for Part XIV. If "Yes," complete Part XIV	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

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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		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement. See instructions	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ WWW.FBHERON.ORG

14 The books are in care of ▶ The Foundation Telephone no. ▶ (212) 404-1800

Located at ▶ 135 W 41st ST, NEW YORK, NY ZIP+4 ▶ 10036

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 N/A

			Yes	No
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?	16		X
	See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ▶			

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

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

					Yes	No
1a	During the year, did the foundation (either directly or indirectly):					
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes	☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes	☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes	☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☒ Yes	☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes	☒ No			
	(6) Agree to pay money or property to a government official? (**Exception** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	☐ Yes	☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance? See instructions			1b		X
	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 2017?			1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):					
a	At the end of tax year 2017, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2017?	☐ Yes	☒ No			
	If "Yes," list the years ▶ ______, ______, ______, ______					
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.) N/A			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. ▶ ______, ______, ______, ______					
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 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.) N/A			3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?			4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2017?			4b		X

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

			Yes	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))?	☐ 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		X
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		X
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?	N/A	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.

(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
See Statement 18		1008580.	163,141.	0.

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

(a) Name and address of each employee paid more than $50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
BRENDAN MAHER	DIRECTOR CAPITAL MARKETS 40.00	204,200.	58,940.	0.
PREETI BHATTACHARJI	DIRECTOR STRATEGIC INITIATIVES 40.00	200,240.	39,279.	0.
SHELLEY CURNOW	DIRECTOR SYSTEMS OPERATIONS 40.00	122,760.	46,631.	0.
RODNEY CHRISTOPHER	DIRECTOR CAPITAL MARKETS 40.00	136,138.	30,602.	0.
AMY ORR	DIRECTOR CAPITAL MARKETS 40.00	142,727.	21,974.	0.
Total number of other employees paid over $50,000			▶	7

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

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

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
CAMBRIDGE ASSOCIATES 100 SUMMER STREET, BOSTON, MA 02110	INVESTMENT CONSULTING	191,320.
EDGE TECHNOLOGY GROUP 1 AMERICAN LANE, GREENWICH, CT 06831	COMPUTER CONSULTING	110,064.
MILBANK TWEED 28 LIBERTY STREET, NEW YORK, NY 10005	LEGAL SERVICES	80,940.
MISSION OUTBOUND 21-47 45TH AVE., LONG ISLAND CITY, NY 11101	CONSULTING	64,000.
ON RAMPS SERVICES LLC 30 WEST 26 STREET, NEW YORK, NY 10010	CONSULTING	54,463.
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 PROVIDING ASSISTANCE TO OTHER CHARITABLE ORGANIZATIONS THROUGH BOARD SERVICE, CONVENING CONFERENCES AND MEETINGS AND PROVIDING DIRECT TECHNICAL ASSISTANCE	99,732.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 BRIDGES US	1,071,499.
2 GREENLINE VENTURES	97,294.
All other program-related investments. See instructions. 3 COMMUNITY REINVESTMENT FUND	20,138.
Total. Add lines 1 through 3 ▶	1,188,931.

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	278,554,086.
b	Average of monthly cash balances	1b	1,852,794.
c	Fair market value of all other assets	1c	856,326.
d	**Total** (add lines 1a, b, and c)	1d	281,263,206.
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	281,263,206.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	4,218,948.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	277,044,258.
6	**Minimum investment return** Enter 5% of line 5	6	13,852,213.

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	13,852,213.
2a	Tax on investment income for 2017 from Part VI, line 5	2a	249,768.		
b	Income tax for 2017. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	249,768.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	13,602,445.
4	Recoveries of amounts treated as qualifying distributions			4	4,299,794.
5	Add lines 3 and 4			5	17,902,239.
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	17,902,239.

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	8,665,621.
b	Program-related investments - total from Part IX-B	1b	1,188,931.
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	9,854,552.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	**Adjusted qualifying distributions** Subtract line 5 from line 4	6	9,854,552.

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				17,902,239.
2 Undistributed income, if any, as of the end of 2017				
a Enter amount for 2016 only			2,597,808.	
b Total for prior years: ____ , ____ , ____		0.		
3 Excess distributions carryover, if any, to 2017:				
a From 2012				
b From 2013				
c From 2014				
d From 2015				
e From 2016				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2017 from Part XII, line 4: ▶ $ 9,854,552.				
a Applied to 2016, but not more than line 2a			2,597,808.	
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				7,256,744.
e Remaining amount distributed out of corpus	0.			
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	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		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 instr.			0.	
f Undistributed income for 2017. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2018				10,645,495.
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	0.			
9 Excess distributions carryover to 2018. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2013				
b Excess from 2014				
c Excess from 2015				
d Excess from 2016				
e Excess from 2017				

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

1 a 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 ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			
	(a) 2017	(b) 2016	(c) 2015	(d) 2014	(e) Total
2 a 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 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).)

None

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.

None

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.

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

THE F.B. HERON FOUNDATION, 212-404-1800
135 W 41ST STREET, NEW YORK, NY 10036

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

PLEASE REFER TO THE WEBSITE - WWW.HERON.ORG

c Any submission deadlines:

NONE

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

PER GUIDELINES

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 ATTACHED LIST #20				4,181,678.
Total			▶ 3a	4,181,678.
b *Approved for future payment*				
SEE ATTACHED LIST #20				39,750.
Total			▶ 3b	39,750.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(d) Amount	(e) Related or exempt function income
1 Program service revenue:					
a CONTRACT FEE					92,500.
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	38.	
4 Dividends and interest from securities			14	7,179,182.	
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	6,644,093.	
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.		13,823,313.	92,500.

13 Total Add line 12, columns (b), (d), and (e) 13 13,915,813.

(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).
1	LICENSING REVENUE FROM US COMMUNITY INVESTING INDEX

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) (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

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

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

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
N/A		

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: [signature] INGRID RASMUSSEN — Date: 11/15/18 — Title: TREASURER, VP of FINANCE

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
Kevin Sunkel	[signature]	11-15-18		P00706145

Firm's name ▶ Owen J Flanagan & Co — Firm's EIN ▶ 13-2060851

Firm's address ▶ 60 East 42nd Street, New York, NY 10165 — Phone no. 212-682-2783

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	PUBLICLY TRADED SECURITIES	P		
b	CLASS ACTION PROCEEDS	P		
c	OWNERSHIP CAPITAL FUND	P		
d	URBAN AMERICA II			
e	BAY AREA EQUITY			
f	YUCAIPA CORPORATE INITIATES I	P		
g	CANYON JOHNSON URBAN FUND II	P		
h	CALIFORNIA SMART GROWTH FUND IV	P		
i	YUCAIPA CORPORATE INITIATES II	P		
j	HUNTINGTON CAPITAL FUND III	P		
k	HUNTINGTON CAPITAL FUND II	P		
l	DBL PARTNERS FUND III			
m	SJF VENTURES III			
n	ECOLOGIC			
o	ECOLOGIC BRIDGE LOAN			

	(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	48,407,885.		40,118,685.	8,289,200.
b	4,064.			4,064.
c	316,087.			316,087.
d			5,409.	-5,409.
e			26,333.	-26,333.
f	5,557.			5,557.
g	14,583.			14,583.
h	84,266.			84,266.
i	60,369.			60,369.
j	1,231.			1,231.
k	165,699.			165,699.
l			139,634.	-139,634.
m			61,852.	-61,852.
n			1,000,000.	-1,000,000.
o			63,735.	-63,735.

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) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a				8,289,200.
b				4,064.
c				316,087.
d				-5,409.
e				-26,333.
f				5,557.
g				14,583.
h				84,266.
i				60,369.
j				1,231.
k				165,699.
l				-139,634.
m				-61,852.
n				-1,000,000.
o				-63,735.

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). If (loss), enter "-0-" in Part I, line 8	3	

723591
04-01-17

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	ASEPTIA			
b	PARTNERSHIP BOOK TAX DIFFERENCES	P		
c				
d				
e				
f				
g				
h				
i				
j				
k				
l				
m				
n				
o				

	(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			1,000,000.	-1,000,000.
b	582,086.			582,086.
c				
d				
e				
f				
g				
h				
i				
j				
k				
l				
m				
n				
o				

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) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a				-1,000,000.
b				582,086.
c				
d				
e				
f				
g				
h				
i				
j				
k				
l				
m				
n				
o				

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	7,226,179.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8	3	N/A

723591
04-01-17

Form 990-PF Gain or (Loss) from Sale of Assets Statement 1

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
PUBLICLY TRADED SECURITIES	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
48,407,885.	40,118,685.	0.	0.	8,289,200.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
CLASS ACTION PROCEEDS	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
4,064.	0.	0.	0.	4,064.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
OWNERSHIP CAPITAL FUND	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
316,087.	0.	0.	0.	316,087.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
URBAN AMERICA II	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
0.	5,409.	0.	0.	-5,409.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
BAY AREA EQUITY	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
0.	26,333.	0.	0.	-26,333.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
YUCAIPA CORPORATE INITIATES I	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
5,557.	0.	0.	0.	5,557.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
CANYON JOHNSON URBAN FUND II	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
14,583.	0.	0.	0.	14,583.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
CALIFORNIA SMART GROWTH FUND IV	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
84,266.	0.	0.	0.	84,266.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
YUCAIPA CORPORATE INITIATES II	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
60,369.	0.	0.	0.	60,369.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
HUNTINGTON CAPITAL FUND III	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
1,231.	0.	0.	0.	1,231.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
HUNTINGTON CAPITAL FUND II	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
165,699.	0.	0.	0.	165,699.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
DBL PARTNERS FUND III	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
0.	139,634.	0.	0.	-139,634.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
SJF VENTURES III	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
0.	61,852.	0.	0.	-61,852.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
ECOLOGIC	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
0.	1,000,000.	0.	0.	-1,000,000.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
ECOLOGIC BRIDGE LOAN	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
0.	63,735.	0.	0.	-63,735.

(a) Description of Property			Manner Acquired	Date Acquired	Date Sold
ASEPTIA			Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
0.	1,000,000.	0.	0.	-1,000,000.

(a) Description of Property	Manner Acquired	Date Acquired	Date Sold
PARTNERSHIP BOOK TAX DIFFERENCES	Purchased		

(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
582,086.	582,086.	0.	0.	0.

Capital Gains Dividends from Part IV	0.
Total to Form 990-PF, Part I, line 6a	6,644,093.

Form 990-PF Interest on Savings and Temporary Cash Investments Statement 2

Source	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
MONEY MARKET	38.	38.	
Total to Part I, line 3	38.	38.	

Form 990-PF	Dividends and Interest from Securities			Statement 3

Source	Gross Amount	Capital Gains Dividends	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
INT AND DIV ON SECURITIES	6,736,809.	0.	6,736,809.	6,736,809.	
PARTNERSHIP	442,373.	0.	442,373.	442,373.	
PARTNERSHIP BOOK TAX DIFF	0.	0.	0.	-404,677.	
To Part I, line 4	7,179,182.	0.	7,179,182.	6,774,505.	

Form 990-PF	Other Income	Statement 4

Description	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
CONTRACT FEE	92,500.	0.	
Total to Form 990-PF, Part I, line 11	92,500.	0.	

Form 990-PF	Legal Fees	Statement 5

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
LEGAL SERVICES	76,891.	22,967.		56,764.
To Fm 990-PF, Pg 1, ln 16a	76,891.	22,967.		56,764.

Form 990-PF | Accounting Fees | Statement 6

Description	(a) Expenses Per Books	(b) Net Invest-ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
OUTSOURCED CONTROLLER	30,000.	0.		33,500.
AUDIT	35,425.	5,411.		30,014.
To Form 990-PF, Pg 1, ln 16b	65,425.	5,411.		63,514.

Form 990-PF | Other Professional Fees | Statement 7

Description	(a) Expenses Per Books	(b) Net Invest-ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
INVESTMENT ADVISORY	446,187.	446,187.		0.
PORTFOLIO MONITORING	345,820.	242,074.		84,396.
HUMAN RESOURCES	42,079.	0.		43,962.
PROFESSIONAL DEVELOPMENT	93,024.	0.		95,571.
DESKTOP AND NETWORK SUPPORT	123,932.	0.		117,501.
MARKETING	63,369.	0.		63,369.
CONSULTING AND ADVISING	353,431.	54,634.		314,255.
OTHER	60,000.	0.		60,350.
To Form 990-PF, Pg 1, ln 16c	1,527,842.	742,895.		779,404.

Form 990-PF | Taxes | Statement 8

Description	(a) Expenses Per Books	(b) Net Invest-ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
FEDERAL EXCISE TAX	201,000.	0.		0.
To Form 990-PF, Pg 1, ln 18	201,000.	0.		0.

Form 990-PF	Other Expenses			Statement 9
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
CUSTODY FEES	90,406.	90,406.		0.
EQUIPMENT AND EQUIPMENT REPAIR	36,464.	5,569.		30,895.
OFFICE EXPENSES	74,361.	5,740.		76,637.
INSURANCE	31,780.	4,854.		26,925.
BANK FEES AND INTEREST	3,435.	0.		3,435.
MARKET DATA	150,480.	48,870.		119,026.
TEMPORARY HELP	10,539.	0.		10,082.
To Form 990-PF, Pg 1, ln 23	397,465.	155,439.		267,000.

Form 990-PF Other Increases in Net Assets or Fund Balances	Statement 10
Description	Amount
CHANGE IN UNREALIZED APPRECIATION, NET OF DEFERRED TAX	29,848,657.
Total to Form 990-PF, Part III, line 3	29,848,657.

Form 990-PF U.S. and State/City Government Obligations				Statement 11
Description	U.S. Gov't	Other Gov't	Book Value	Fair Market Value
US GOVERNMENT	X		30,859,061.	30,859,061.
MUNICIPALS		X	17,965,776.	17,965,776.
Total U.S. Government Obligations			30,859,061.	30,859,061.
Total State and Municipal Government Obligations			17,965,776.	17,965,776.
Total to Form 990-PF, Part II, line 10a			48,824,837.	48,824,837.

Form 990-PF	Corporate Stock	Statement 12

Description	Book Value	Fair Market Value
STOCK INVESTMENTS	95,167,513.	95,167,513.
COMMUNITY INDEX COMMINGLED FUND	33,155,158.	33,155,158.
Total to Form 990-PF, Part II, line 10b	128,322,671.	128,322,671.

Form 990-PF	Corporate Bonds	Statement 13

Description	Book Value	Fair Market Value
CORPORATE ISSUES	25,960,518.	25,960,518.
Total to Form 990-PF, Part II, line 10c	25,960,518.	25,960,518.

Form 990-PF	Other Investments	Statement 14

Description	Valuation Method	Book Value	Fair Market Value
MISSION RELATED LIMITED PARTNERSHIPS	FMV	10,592,115.	10,592,115.
ISHARES MSCI	FMV	69,336,530.	69,336,530.
EQUITY COMMINGLED FUND	FMV	11,193,600.	11,193,600.
Total to Form 990-PF, Part II, line 13		91,122,245.	91,122,245.

Form 990-PF	Depreciation of Assets Not Held for Investment	Statement 15

Description	Cost or Other Basis	Accumulated Depreciation	Book Value
LEASEHOLD IMPROVEMENTS	446,255.	446,255.	0.
FURNITURE	120,581.	120,581.	0.
EQUIPMENT	16,350.	16,350.	0.
EQUIPMENT	22,693.	22,693.	0.
EQUIPMENT	85,442.	85,442.	0.
Total To Fm 990-PF, Part II, ln 14	691,321.	691,321.	0.

Form 990-PF	Other Assets		Statement 16
Description	Beginning of Yr Book Value	End of Year Book Value	Fair Market Value
PROGRAM RELATED INVESTMENTS	12,791,504.	9,580,640.	9,580,640.
To Form 990-PF, Part II, line 15	12,791,504.	9,580,640.	9,580,640.

Form 990-PF	Other Liabilities	Statement 17
Description	BOY Amount	EOY Amount
DEFERRED RENT	91,863.	68,898.
DEFERRED FEDERAL EXCISE TAX	538,660.	1,149,857.
Total to Form 990-PF, Part II, line 22	630,523.	1,218,755.

Form 990-PF Part VIII - List of Officers, Directors Trustees and Foundation Managers Statement 18

Name and Address	Title and Avrg Hrs/Wk	Compen-sation	Employee Ben Plan Contrib	Expense Account
ANNE WADE C/O F.B. HERON FOUNDATION NEW YORK, NY 10036	DIRECTOR 3.00	0.	0.	0.
INGRID RASMUSSEN C/O F.B. HERON FOUNDATION NEW YORK, NY 10036	TREAS - VP FIN AND OPERATI 40.00	228,468.	51,366.	0.
DANA PANCRAZI C/O F.B. HERON FOUNDATION NEW YORK, NY 10036	SECRETARY 40.00	308,400.	55,117.	0.
CLARA G MILLER C/O F.B. HERON FOUNDATION NEW YORK, NY 10036	PRESIDENT & DIRECTOR 40.00	471,712.	56,658.	0.
BUZZ SCHMIDT C/O F.B. HERON FOUNDATION NEW YORK, NY 10036	CHAIRMAN 4.00	0.	0.	0.

WILLIAM MC CALPIN C/O F.B. HERON FOUNDATION NEW YORK, NY 10036	DIRECTOR 3.00	0.	0.	0.
JAMES JOSEPH C/O F.B. HERON FOUNDATION NEW YORK, NY 10036	DIRECTOR 3.00	0.	0.	0.
JOHN OTTERLEI C/O F.B. HERON FOUNDATION NEW YORK, NY 10005	DIRECTOR 3.00	0.	0.	0.
Totals included on 990-PF, Page 6, Part VIII		1,008,580.	163,141.	0.

Heron Foundation

2017 Expenditure Responsibility Activity

1. **Organization Name and Address:**
   Impact Alpha
   2009 Francisco Street
   Berkeley, CA 94709
2. **Grant Date and Amount:**
   12/22/2017
   $150,000
3. **Purpose of Grant:**
   To support ImpactAlpha and the New Revivalists project.
4. **Grant Amount spent:**
   The grant has been expended by the grantee as payments have been made.
5. **Any part of the Grant diverted:**
   No portion of the funds have been diverted from the purpose of the grant.
6. **Date of reports received, if any:**
   N/A
7. **Date and results of any verification of the grantee's reports undertaken by or at the direction of the grantor foundation:**
   N/A

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1. **Organization Name and Address:**
   Big Path Capital
   PO Box 8724
   Asheville, NC 28804
2. **Grant Date and Amount:**
   11/27/2017
   $25,000
3. **Purpose of Grant:**
   To support the inclusion of minority managers on the Big Path platform.
4. **Grant Amount spent:**
   The grant has been expended by the grantee as payments have been made.
5. **Any part of the Grant diverted:**
   No portion of the funds have been diverted from the purpose of the grant.
6. **Date of reports received, if any:**
   N/A
7. **Date and results of any verification of the grantee's reports undertaken by or at the direction of the grantor foundation:**
   N/A

STATEMENT # 19

SCHEDULE OF GRANT ACTIVITY - FY 2017Grants Approved or Paid in Fiscal Year 2017, or Payable at Year End

GRANTEE	PAYABLE at FYE 2016	COM'TS MADE PAYABLE in 2017	DISBURSED in 2017	*REFUNDED in 2017*	PAYABLE at FYE 2017
Buffalo Niagara Medical Center	-	250,000	(250,000)	-	-
Mary Reynolds Babcock	-	-	-	-	-
RSF Social Finance	-	350,000	(350,000)	-	-
INNER CITY ADVISORS (ICA FUND GOOD JOBS)	-	125,000	(125,000)	-	-
COMMUNITY REINVESTMENT FUND	-	150,000	(150,000)	-	-
PACIFIC COMMUNITY VENTURES INC	-	106,000	(106,000)	-	-
ROYAL SOCIETY OF THE ARTS US CHAPTER	-	150,000	(150,000)	-	-
SOCIAL ENTERPRISE GREENHOUSE	-	80,000	(80,000)	-	-
CENTERSTATE	-	60,000	(60,000)	-	-
NATIONAL ORGANIZATION ON DISABILITY (NOD)	-	147,500	(147,500)	-	-
COUNCIL FOR ADULTS AND EXPERIENTIAL LEARNING (CAEL)	-	110,000	(110,000)	-	-
PARAPROFESSIONAL HEALTHCARE INSTITUTE INC (PHI)	-	23,400	(23,400)	-	-
RHODE ISLAND COMMUNITY FOUNDATION, THE	-	128,000	(128,000)	-	-
COOPERATIVE DEVELOPMENT FUND OF CDS	-	10,000	(10,000)	-	-
KING BAUDOUIN FOUNDATION UNITED STATES, INC	-	16,000	(16,000)	-	-
INDEPENDENT SECTOR	-	75,000	(75,000)	-	-
REINVESTMENT FUND INC, THE (TRF)	-	500,000	(500,000)	-	-
UNITED WAY OF NEW YORK CITY	-	25,000	(25,000)	-	-
NEW VENTURE FUND	-	100,000	(100,000)	-	-
BUSINESS ALLIANCE FOR LOCAL LIVING ECONOMIES (BALLE)	-	70,000	(70,000)	-	-
FOUNDATION CENTER, THE	-	150,000	(150,000)	-	-
BUILD COMMONWEALTH f/k/a D2D FUND, INC	-	75,000	(75,000)	-	-
PRESIDENT & FELLOWS OF HARVARD COLLEGE	-	100,000	(100,000)	-	-
INDEPENDENT SECTOR	-	75,000	(75,000)	-	-
BRIDGES IMPACT FOUNDATION	-	100,000	(100,000)	-	-
RHODE ISLAND COMMUNITY FOUNDATION, THE	-	75,000	(75,000)	-	-
BIG PATH CAPITAL	-	25,000	-	-	25,000
IMPACTALPHA INC	-	150,000	(150,000)	-	-
COMMUNITY FOUNDATION FOR GREATER BUFFALO	-	41,175	(41,175)	-	-
ENDEAVOR INITIATIVE, INC (D/B/A ENDEAVOR GLOBAL, INC)	-	150,000	(150,000)	-	-
ACCION THE US NETWORK	-	36,000	(36,000)	-	-
FOUNDATION FOR APPALACHIAN KENTUCKY	-	70,000	(70,000)	-	-
MISSION INVESTORS EXCHANGE	-	15,000	(15,000)	-	-

STATEMENT #20

SCHEDULE OF GRANT ACTIVITY - FY 2017Grants Approved or Paid in Fiscal Year 2017, or Payable at Year End

GRANTEE	PAYABLE at FYE 2016	COM'TS MADE PAYABLE in 2017	DISBURSED in 2017	*REFUNDED in 2017*	PAYABLE at FYE 2017
INDEPENDENT SECTOR	-	9,000	(9,000)	-	-
GLOBAL IMPACT INVESTING NETWORK, THE (GIIN)	-	20,000	(20,000)	-	-
US SIF	-	3,180	(3,180)	-	-
PHILANTHROPY NEW YORK	-	15,100	(15,100)	-	-
NONPROFIT COORDINATING COMMITTEE OF NEW YORK INC	-	1,500	(1,500)	-	-
PHILANTHROPY ROUNDTABLE	-	1,000	(1,000)	-	-
CARSEY SCHOOL OF PUBLIC POLICY UNIVERSITY OF NEW HAMPSHIRE	-	5,000	(5,000)	-	-
FOUNDATION CENTER, THE	-	7,000	(7,000)	-	-
GUIDESTAR USA INC	-	2,500	(2,500)	-	-
AERIS INSIGHT INC	-	10,000	(10,000)	-	-
HIGH WATER WOMEN	-	10,000	(10,000)	-	-
AMERICAN SUSTAINABLE BUSINESS COUNCIL	-	15,000	(15,000)	-	-
ASPEN INSTITUTE INC, THE	-	50,000	(50,000)	-	-
GUIDESTAR USA INC	-	10,000	(10,000)	-	-
REINVESTMENT FUND INC, THE (TRF)	-	5,000	(5,000)	-	-
SARCOMA FOUNDATION OF AMERICA, INC	-	1,000	(1,000)	-	-
OPPORTUNITY FINANCE NETWORK	-	150,000	(150,000)	-	-
ROCKEFELLER PHILANTHROPY ADVISORS INC	-	50,000	(50,000)	-	-
EILEEN FISHER COMMUNITY FOUNDATION INC	-	10,000	-	-	10,000
NEW VENTURE FUND	-	50,000	(50,000)	-	-
KING BAUDOUIN FOUNDATION UNITED STATES, INC	-	50,000	(50,000)	-	-
Grants - Board-/Staff-Directed - Various (2016)	10,000	-	(10,000)	-	-
Grants - Community Service - Various (2016)	1,000	-	(1,000)	-	-
Grants - Matching - Various (2016)	5,000	-	(5,000)	-	-
Grants - Board-/Staff-Directed - Various (2017)	-	130,925	(130,675)	-	250
Grants - Community Service - Various (2017)	-	14,000	(14,000)	-	-
Grants - Matching - Various (2017)	-	47,148	(42,648)	-	4,500
	16,000	**4,205,428**	**(4,181,678)**	**-**	**39,750**