

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.

For calendar year 2017 or tax year beginning

, and ending

Name of foundation

THE MCSHANE FOUNDATION
C/O MR. ROBERT GALANTE

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

Room/suite

9500 W BRYN MAWR AVE

200

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

ROSEMONT, IL 60018

G Check all that apply:

Initial return Initial return of a former public charity
 Final return Amended return
 Address change Name change

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

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

J Accounting method: Cash Accrual
 Other (specify) *04*► \$ **1,322,721.** (Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received	136,470.		N/A	
2	Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	31,537.	31,537.		STATEMENT 1
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	43,047.			
b	Gross sales price for all assets on line 6a	103,762.			
7	Capital gain net income (from Part IV, line 2)		43,047.		
8	Net short-term capital gain				
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss)				
11	Other income				
12	Total Add lines 1 through 11	211,054.			
13	Compensation of officers, directors, trustees, etc	0.			0.
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees	STMT 2	1,500.	0.	1,500.
b	Accounting fees	STMT 3	2,500.	1,250.	1,250.
c	Other professional fees	STMT 4	7,069.	7,069.	0.
17	Interest				
18	Taxes	STMT 5	716.	670.	46.
19	Depreciation and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses	STMT 6	746.	746.	0.
24	Total operating and administrative expenses Add lines 13 through 23		12,531.	9,735.	2,796.
25	Contributions, gifts, grants paid		96,470.		96,470.
26	Total expenses and disbursements. Add lines 24 and 25		109,001.	9,735.	99,266.
27	Subtract line 26 from line 12				
a	Excess of revenue over expenses and disbursements		102,053.		
b	Net investment income (if negative, enter -0-)			64,849.	
c	Adjusted net income (if negative, enter -0-)				N/A

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing				
	2 Savings and temporary cash investments		131,087.	86,664.	86,738.
	3 Accounts receivable ►				
	Less: allowance for doubtful accounts ►				
	4 Pledges receivable ►				
	Less: allowance for doubtful accounts ►				
	5 Grants receivable				
	6 Receivables due from officers, directors, trustees, and other disqualified persons				
	7 Other notes and loans receivable ►				
	Less: allowance for doubtful accounts ►				
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges				
	10a Investments - U.S. and state government obligations				
	b Investments - corporate stock	STMT 8	422,141.	504,512.	769,267.
	c Investments - corporate bonds	STMT 9	395,464.	395,442.	397,814.
	11 Investments - land, buildings, and equipment basis ►				
	Less accumulated depreciation ►				
	12 Investments - mortgage loans				
	13 Investments - other	STMT 10	65,538.	65,538.	68,902.
	14 Land, buildings, and equipment basis ►				
	Less accumulated depreciation ►				
	15 Other assets (describe ►)				
	16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)		1,014,230.	1,052,156.	1,322,721.
Liabilities	17 Accounts payable and accrued expenses				
	18 Grants payable				
	19 Deferred revenue				
	20 Loans from officers, directors, trustees, and other disqualified persons				
	21 Mortgages and other notes payable				
	22 Other liabilities (describe ►)				
Net Assets or Fund Balances	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 checked="" type="checkbox"/>				
	and complete lines 27 through 31				
	27 Capital stock, trust principal, or current funds		0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds		1,014,230.	1,052,156.	
	30 Total net assets or fund balances		1,014,230.	1,052,156.	
	31 Total liabilities and net assets/fund balances		1,014,230.	1,052,156.	

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	1,014,230.
2 Enter amount from Part I, line 27a	2	102,053.
3 Other increases not included in line 2 (itemize) ►	3	0.
4 Add lines 1, 2, and 3	4	1,116,283.
5 Decreases not included in line 2 (itemize) ►	5	64,127.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,052,156.

Form 990-PF (2017)

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 PUBLICLY TRADED SECURITIES					
b PUBLICLY TRADED SECURITIES					
c CAPITAL GAINS DIVIDENDS					
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 6,227.		5,898.	329.		
b 94,400.		54,817.	39,583.		
c 3,135.			3,135.		
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					329.
b					39,583.
c					3,135.
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	43,047.	
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	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	78,994.	1,063,828.	.074254
2015	127,981.	1,084,323.	.118028
2014	73,166.	1,030,593.	.070994
2013	66,265.	904,030.	.073300
2012	78,760.	790,350.	.099652

2 Total of line 1, column (d)	2	.436228
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	.087246
4 Enter the net value of noncharitable-use assets for 2017 from Part X, line 5	4	1,188,975.
5 Multiply line 4 by line 3	5	103,733.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	648.
7 Add lines 5 and 6	7	104,381.
8 Enter qualifying distributions from Part XII, line 4	8	99,266.

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.	1	1,297.
	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 ► <input type="checkbox"/> and enter 1% of Part I, line 27b		
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations, enter 4% of Part I, line 12, col. (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only, others, enter -0-)	2	0.
3	Add lines 1 and 2	3	1,297.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only; others, enter -0-)	4	0.
5	Tax based on investment income Subtract line 4 from line 3. If zero or less, enter -0-	5	1,297.
6	Credits/Payments		
a	2017 estimated tax payments and 2016 overpayment credited to 2017	6a	1,003.
b	Exempt foreign organizations - tax withheld at source	6b	0.
c	Tax paid with application for extension of time to file (Form 8868)	6c	1,500.
d	Backup withholding erroneously withheld	6d	0.
7	Total credits and payments Add lines 6a through 6d	7	2,503.
8	Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8	0.
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	1,206.
11	Enter the amount of line 10 to be: Credited to 2018 estimated tax ►	11	0.

Part VII-A | Statements Regarding Activities

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 Yes No

1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes? See the instructions for the definition If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities 1b Yes No

1c Did the foundation file Form 1120-POL for this year? 1c Yes No

1d 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.

1e 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 Yes No

3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes 3 Yes No

4a Did the foundation have unrelated business gross income of \$1,000 or more during the year? 4a Yes No

4b If "Yes," has it filed a tax return on Form 990-T for this year? 4b Yes No

5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by *General Instruction T* 5 Yes No

6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:
• By language in the governing instrument, or
• By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? 6 Yes No

7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV 7 Yes No

8a Enter the states to which the foundation reports or with which it is registered. See instructions ► IL 8a Yes No

8b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G*? If "No," attach explanation 8b Yes No

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 Yes No

10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses 10 Yes No

THE MCSHANE FOUNDATION
C/O MR. ROBERT GALANTE

Form 990-PF (2017)

36-3627198

Page 5

Part VII-A Statements Regarding Activities (continued)

	Yes	No
11		X
12		X
13	X	
14	The books are in care of ► MCSHANE DEVELOPMENT CORP Located at ► 9500 W BRYN MAWR AVE, SUITE 200, ROSEMONT, IL	
	Telephone no ► 847 292-4300 ZIP+4 ► 60018	
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	
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 ►	

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)	<input type="checkbox"/> Yes	X No
(2)	<input type="checkbox"/> Yes	X No
(3)	<input type="checkbox"/> Yes	X No
(4)	<input type="checkbox"/> Yes	X No
(5)	<input type="checkbox"/> Yes	X No
(6)	<input type="checkbox"/> Yes	X 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	
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?	
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 ►	
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)	
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?	
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.)	
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?	

Form 990-PF (2017)

THE MCSHANE FOUNDATION
Form 990-PF (2017) C/O MR. ROBERT GALANTE

36-3627198 Page 6

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

5a During the year, did the foundation pay or incur any amount to	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No						
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?							
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?							
(3) Provide a grant to an individual for travel, study, or other similar purposes?							
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? See instructions							
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?							
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 53.4945-5(d) or in a current notice regarding disaster assistance? See instructions	N/A						
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?	N/A	<input type="checkbox"/> Yes <input type="checkbox"/> 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?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?							
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"/> Yes <input checked="" type="checkbox"/> No					
b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?							
		N/A					

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
JAMES A MCSHANE 9500 W BRYN MAWR AVE ROSEMONT, IL 600184902	PRES/SEC/DIR 1.00	0.	0.	0.
MARY G. MCSHANE 9500 W BRYN MAWR AVE ROSEMONT, IL 600184902	DIRECTOR 0.10	0.	0.	0.
PAT GLASCOW 13303 BARNSBURY SQ SAN ANTONIO, TX 782324801	DIRECTOR 0.10	0.	0.	0.

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

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

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

► 0

Form 990-PF (2017)

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	1,106,311.
b Average of monthly cash balances	1b	100,770.
c Fair market value of all other assets	1c	
d Total (add lines 1a, b, and c)	1d	1,207,081.
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	1,207,081.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	18,106.
5 Net value of noncharitable-use assets Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,188,975.
6 Minimum investment return Enter 5% of line 5	6	59,449.

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	59,449.
2a Tax on investment income for 2017 from Part VI, line 5	2a	1,297.	
b Income tax for 2017. (This does not include the tax from Part VI)	2b		
c Add lines 2a and 2b	2c		1,297.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3		58,152.
4 Recoveries of amounts treated as qualifying distributions	4		0.
5 Add lines 3 and 4	5		58,152.
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		58,152.

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		99,266.
b Program-related investments - total from Part IX-B	1b		0.
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2		
3 Amounts set aside for specific charitable projects that satisfy the:			
a Suitability test (prior IRS approval required)	3a		
b Cash distribution test (attach the required schedule)	3b		
4 Qualifying distributions Add lines 1a through 3b. Enter here and on Part V, line 8; and Part XIII, line 4	4		99,266.
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		99,266.

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				58,152.
2 Undistributed income, if any, as of the end of 2017			0.	
a Enter amount for 2016 only				
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2017:				
a From 2012	39,779.			
b From 2013	21,679.			
c From 2014	23,481.			
d From 2015	74,224.			
e From 2016	26,221.			
f Total of lines 3a through e	185,384.			
4 Qualifying distributions for 2017 from Part XII, line 4 ► \$	99,266.		0.	
a Applied to 2016, but not more than line 2a				
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			58,152.	
e Remaining amount distributed out of corpus	41,114.			
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.	226,498.			
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				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	39,779.			
9 Excess distributions carryover to 2018 Subtract lines 7 and 8 from line 6a	186,719.			
10 Analysis of line 9:				
a Excess from 2013	21,679.			
b Excess from 2014	23,481.			
c Excess from 2015	74,224.			
d Excess from 2016	26,221.			
e Excess from 2017	41,114.			

THE MCSHANE FOUNDATION

Form 990-PF (2017)

C/O MR. ROBERT GALANTE

36-3627198 Page 11

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				
BUILD INC 5100 W. HARRISON CHICAGO, IL 60644	N/A	PC	UNRESTRICTED	10,000.
CHRIST THE KING 5088 W JACKSON CHICAGO, IL 60644	N/A	PC	UNRESTRICTED	5,000.
CONCERN WORLDWIDE 166 E SUPERIOR 502 CHICAGO, IL 60611	N/A	PC	UNRESTRICTED	45,000.
ANTHONY PARRAS 5057 KELLER SPRINGS RD #500 ADDISON, TX 75001	NONE	I	HURRICANE HARVEY RELIEF	3,500.
CRYSTAL MCPHERSON 5057 KELLER SPRINGS RD #500 ADDISON, TX 75001	NONE	I	HURRICANE HARVEY RELIEF	3,700.
Total	SEE CONTINUATION SHEET(S)			► 3a 96,470.
b Approved for future payment				
NONE				
Total				► 3b 0.

Form 990-PF (2017)

723611 01-03-18

Part XVI-A Analysis of Income-Producing Activities

	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	31,537.	
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	43,047.	
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.		74,584.	0.
13 Total Add line 12, columns (b), (d), and (e)			13		74,584.
(See worksheet in line 13 instructions to verify calculations.)					

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)
N/A	

THE MCSHANE FOUNDATION
C/O MR. ROBERT GALANTE

Form 990-PF (2017)

C/O MR. ROBERT GALANTE

36-3627198 Page 13

Page 13

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?

a Transfers from the reporting foundation to a noncharitable exempt organization of

(1) Cash

(2) Other assets

b Other transactions

(1) Sales of assets to a noncharitable exempt organization

(2) Purchases of assets from a noncharitable exempt organization

(3) Rental of facilities, equipment, or other assets

(4) Reimbursement arrangements

(5) Loans or loan guarantees

(6) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

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

May the IRS discuss this return with the preparer shown below? See instr

Signature of officer or trustee

Date

Title

Tutti

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	MICHAEL BOBAN	<i>Michael Boban</i>	<i>6/22/18</i>		P00732752
	Firm's name ► WARADY & DAVIS LLP			Firm's EIN ► 36-2170602	
	Firm's address ► 1717 DEERFIELD RD SUITE 300S DEERFIELD, IL 60015			Phone no. (847) 267-9600	

THE MCSHANE FOUNDATION
C/O MR. ROBERT GALANTE

36-3627198

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

723831
04-01-17

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

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

OMB No. 1545-0047

2017**Name of the organization****THE MCSHANE FOUNDATION
C/O MR. ROBERT GALANTE****Employer identification number****36-3627198****Organization type (check one)****Filers of:**

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)

LHA For Paperwork Reduction Act Notice, see the instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2017)

Name of organization

THE MCSHANE FOUNDATION
C/O MR. ROBERT GALANTE

Employer identification number

36-3627198

Part I Contributors (see instructions) Use duplicate copies of Part I if additional space is needed

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	JAMES MCSHANE 150 THORNAPPLE LANE BANNOCKBURN, IL 60015	\$ 105,000.	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II for noncash contributions)</small>
2	CADENCE MCSHANE CONST CO 5057 KELLER SPRINGS RD STE 500 ADDISON, TX 75001	\$ 25,000.	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II for noncash contributions)</small>
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II for noncash contributions)</small>
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II for noncash contributions)</small>
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II for noncash contributions)</small>
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II for noncash contributions)</small>
		\$	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II for noncash contributions)</small>

Name of organization

THE MCSHANE FOUNDATION
C/O MR. ROBERT GALANTE

Employer identification number

36-3627198

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
		\$ _____	_____

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES			STATEMENT	1
SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
NORTHERN TRUST COMPANY	20,233.	0.	20,233.	20,233.	
NORTHERN TRUST COMPANY	9,176.	0.	9,176.	9,176.	
NORTHERN TRUST COMPANY	3,135.	3,135.	0.	0.	
NORTHERN TRUST COMPANY	1,701.	0.	1,701.	1,701.	
NORTHERN TRUST COMPANY	427.	0.	427.	427.	
TO PART I, LINE 4	34,672.	3,135.	31,537.	31,537.	

FORM 990-PF	LEGAL FEES			STATEMENT	2
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
LEGAL	1,500.	0.		1,500.	
TO FM 990-PF, PG 1, LN 16A	1,500.	0.		1,500.	

FORM 990-PF	ACCOUNTING FEES			STATEMENT	3
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
TAX PREPARATION	2,500.	1,250.		1,250.	
TO FORM 990-PF, PG 1, LN 16B	2,500.	1,250.		1,250.	

FORM 990-PF	OTHER PROFESSIONAL FEES	STATEMENT	4
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MANAGEMENT FEE	7,069.	7,069.		0.
TO FORM 990-PF, PG 1, LN 16C	7,069.	7,069.		0.

FORM 990-PF	TAXES	STATEMENT	5
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAX FILING FEES	670. 46.	670. 0.		0. 46.
TO FORM 990-PF, PG 1, LN 18	716.	670.		46.

FORM 990-PF	OTHER EXPENSES	STATEMENT	6
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK FEES	746.	746.		0.
TO FORM 990-PF, PG 1, LN 23	746.	746.		0.

FORM 990-PF	OTHER DECREASES IN NET ASSETS OR FUND BALANCES	STATEMENT	7
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DESCRIPTION	AMOUNT
EXCESS OF FMV OVER COST BASIS ON DONATED SECURITIES	64,127.
TOTAL TO FORM 990-PF, PART III, LINE 5	64,127.

FORM 990-PF	CORPORATE STOCK	STATEMENT 8
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
NORTHERN TRUST - SEE ATTACHED	504,512.	769,267.
TOTAL TO FORM 990-PF, PART II, LINE 10B	504,512.	769,267.

FORM 990-PF	CORPORATE BONDS	STATEMENT 9
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
NORTHERN TRUST - SEE ATTACHED	395,442.	397,814.
TOTAL TO FORM 990-PF, PART II, LINE 10C	395,442.	397,814.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT 10
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
NORTHERN TRUST - SEE ATTACHED	COST	65,538.	68,902.
TOTAL TO FORM 990-PF, PART II, LINE 13		65,538.	68,902.