

**Return of Private Foundation**

or Section 4947(a)(1) Trust Treated as Private Foundation

Department of the Treasury  
Internal Revenue Service

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Open to Public Inspection

For calendar year 2016 or tax year beginning

, and ending

Name of foundation <b>THE MCKNIGHT FOUNDATION</b>		A Employer identification number <b>41-0754835</b>
Number and street (or P.O. box number if mail is not delivered to street address) <b>710 SECOND STREET SOUTH, SUITE 400</b>	Room/suite	B Telephone number <b>612-333-4220</b>
City or town, state or province, country, and ZIP or foreign postal code <b>MINNEAPOLIS, MN 55401</b>		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ <b>2,176,417,897.</b>	J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)</small>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>Revenue</b>	1 Contributions, gifts, grants, etc., received	358,851.		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	255,381.	255,381.		STATEMENT 2
	4 Dividends and interest from securities	28,267,821.	35,190,868.		STATEMENT 3
	5a Gross rents	0.	-60,896.		STATEMENT 4
	b Net rental income or (loss)	-60,896.			
	6a Net gain or (loss) from sale of assets not on line 10	63,772,157.			STATEMENT 1
	b Gross sales price for all assets on line 6a	91,466,047.			
	7 Capital gain net income (from Part IV, line 2)		58,851,891.		
	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	1,987,559.	3,427,812.		STATEMENT 5	
12 Total. Add lines 1 through 11	94,641,769.	97,665,056.			
<b>Operating and Administrative Expenses</b>	13 Compensation of officers, directors, trustees, etc.	972,556.	267,389.		607,071.
	14 Other employee salaries and wages	4,423,515.	234,661.		4,188,855.
	15 Pension plans, employee benefits	1,488,192.	155,240.		1,434,328.
	16a Legal fees <b>STMT 6</b>	91,642.	43,706.		47,936.
	b Accounting fees <b>STMT 7</b>	82,021.	23,611.		41,011.
	c Other professional fees <b>STMT 8</b>	17,042,925.	9,696,314.		4,658,130.
	17 Interest				
	18 Taxes <b>STMT 9</b>	588,888.	329,254.		0.
	19 Depreciation and depletion	154,213.	0.		
	20 Occupancy	1,123,866.	17,645.		1,105,764.
	21 Travel, conferences, and meetings	1,463,911.	67,319.		1,366,484.
	22 Printing and publications	194,759.	32.		177,213.
	23 Other expenses <b>STMT 10</b>	658,293.	11,694,926.		558,211.
	24 Total operating and administrative expenses. Add lines 13 through 23	28,284,781.	22,530,097.		14,185,003.
	25 Contributions, gifts, grants paid	100,244,894.			87,796,380.
26 Total expenses and disbursements. Add lines 24 and 25	128,529,675.	22,530,097.		101,981,383.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-33,887,906.				
b Net investment income (if negative, enter -0-)		75,134,959.			
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	(b) Book Value	(c) Fair Market Value	
Assets	1	Cash - non-interest-bearing	219,031.	446,362.	446,362.		
	2	Savings and temporary cash investments	214,994,627.	287,692,398.	287,692,398.		
	3	Accounts receivable					
		Less: allowance for doubtful accounts					
	4	Pledges receivable					
		Less: allowance for doubtful accounts					
	5	Grants receivable	14,117,573.	9,418,024.	9,418,024.		
	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	1,035,166.	1,092,666.	1,092,666.		
	10a	Investments - U.S. and state government obligations STMT 11	72,661,564.	75,388,975.	75,388,975.		
	b	Investments - corporate stock STMT 12	917,222,409.	997,817,025.	997,817,025.		
	c	Investments - corporate bonds STMT 13	85,634,552.	82,586,384.	82,586,384.		
	11	Investments - land, buildings, and equipment: basis					
	Less: accumulated depreciation						
12	Investments - mortgage loans						
13	Investments - other STMT 14	871,182,604.	698,092,351.	698,092,351.			
14	Land, buildings, and equipment: basis	5,683,632.					
	Less: accumulated depreciation STMT 15	5,072,112.	589,782.	611,520.	611,520.		
15	Other assets (describe STATEMENT 16)	22,264,450.	23,272,192.	23,272,192.			
16	<b>Total assets</b> (to be completed by all filers - see the instructions. Also, see page 1, item I)	2,199,921,758.	2,176,417,897.	2,176,417,897.			
Liabilities	17	Accounts payable and accrued expenses	2,771,597.	2,443,516.			
	18	Grants payable	83,623,601.	95,992,152.			
	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)	71,548,174.	23,351,884.			
23	<b>Total liabilities</b> (add lines 17 through 22)	157,943,372.	121,787,552.				
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.						
	24	Unrestricted	2,027,136,686.	2,044,159,585.			
	25	Temporarily restricted	14,841,700.	10,470,760.			
	26	Permanently restricted					
	Foundations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 31.						
	27	Capital stock, trust principal, or current funds					
	28	Paid-in or capital surplus, or land, bldg., and equipment fund					
29	Retained earnings, accumulated income, endowment, or other funds						
30	<b>Total net assets or fund balances</b>	2,041,978,386.	2,054,630,345.				
31	<b>Total liabilities and net assets/fund balances</b>	2,199,921,758.	2,176,417,897.				

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	2,041,978,386.
2	Enter amount from Part I, line 27a	2	-33,887,906.
3	Other increases not included in line 2 (itemize) UNREALIZED GAIN ON INVESTMENTS	3	46,539,865.
4	Add lines 1, 2, and 3	4	2,054,630,345.
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	2,054,630,345.

**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			
b	<b>SEE ATTACHED STATEMENTS</b>		
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e	91,466,047.	32,614,156.	58,851,891.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			
b			
c			
d			
e			58,851,891.

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	58,851,891.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8 .....	3	N/A

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

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2015	100,431,478.	2,133,322,336.	.047077
2014	101,197,376.	2,105,960,466.	.048053
2013	97,760,202.	1,969,573,323.	.049635
2012	96,051,063.	1,853,175,312.	.051831
2011	102,796,288.	1,897,738,100.	.054168

2	Total of line 1, column (d) .....	2	.250764
3	Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years .....	3	.050153
4	Enter the net value of noncharitable-use assets for 2016 from Part X, line 5 .....	4	2,059,766,405.
5	Multiply line 4 by line 3 .....	5	103,303,465.
6	Enter 1% of net investment income (1% of Part I, line 27b) .....	6	751,350.
7	Add lines 5 and 6 .....	7	104,054,815.
8	Enter qualifying distributions from Part XII, line 4 .....	8	102,167,006.

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)

Table with 11 rows for excise tax calculations. Includes fields for exempt foundations, tax under section 511, credits/payments, and tax due/overpayment. Total tax due is 137,797.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Includes questions about political campaigns, unrelated business income, and state reporting. Marked with 'Yes' or 'No' and 'X'.

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges?
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?
Website address WWW.MCKNIGHT.ORG
14 The books are in care of RICK SCOTT Telephone no. 612-333-4220
Located at 710 SECOND STREET SOUTH, STE 400, MINNEAPOLIS, MN ZIP+4 55401
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
16 At any time during calendar year 2016, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?
See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country

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.

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?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(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)?
(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.)
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 2016?
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):
a At the end of tax year 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016?
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 2016 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2016.)
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 2016?

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

5a During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?  Yes  No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?  Yes  No
- (3) Provide a grant to an individual for travel, study, or other similar purposes?  Yes  No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions)  Yes  No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?  Yes  No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5b

Organizations relying on a current notice regarding disaster assistance check here

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **SEE STATEMENT 19**  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

6b

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?  Yes  No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?  Yes  No **N/A**

7b

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 18		871,660.	98,300.	2,596.

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
NEAL CUTHBERT - 710 SECOND STREET SOUTH, SUITE 400, MINNEAPOLIS, MN	VP - PROGRAM 40.00	247,509.	54,181.	1,070.
BERNADETTE CHRISTIANSEN - 710 SECOND STREET SOUTH, SUITE 400,	VP - ADMINISTRATION 40.00	221,876.	43,713.	1,070.
ELIZABETH MCGEVERAN - 710 SECOND STREET SOUTH, SUITE 400,	PROGRAM DIR. - IMPACT 40.00	158,961.	42,968.	1,165.
LEE SHEEHY - 710 SECOND STREET SOUTH, SUITE 400, MINNEAPOLIS, MN	PROGRAM DIR. - R & C 40.00	158,922.	42,964.	1,070.
VICKIE BENSON - 710 SECOND STREET SOUTH, SUITE 400, MINNEAPOLIS, MN	PROGRAM DIR. - ARTS 40.00	161,747.	27,549.	1,100.
<b>Total</b> number of other employees paid over \$50,000				<b>42</b>

**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
CORNELL UNIVERSITY 255 INSECTARY BUILDING, ITHACA, NY 14853	PROGRAM SUPPORT CONSULTING	1,686,784.
MELLON CAPITAL MANAGEMENT CORP P.O. BOX 371076, PITTSBURGH, PA 15251	INVESTMENT MANAGEMENT FEES	1,570,912.
FIRST STATE INVESTMENTS - 23 ST. ANDREWS SQUARE, EDINBURGH, UNITED KINGDOM EH21BB	INVESTMENT MANAGEMENT FEES	1,000,410.
EAGLE ASSET MANAGEMENT - 880 CARILLON PARKWAYS, ST. PETERSBURG, FL 33733	INVESTMENT MANAGEMENT FEES	533,105.
SIT INVESTMENT ASSOCIATES 80 SOUTH EIGHTH STREET, MINNEAPOLIS, MN 55402	INVESTMENT MANAGEMENT FEES	513,606.
<b>Total</b> number of others receiving over \$50,000 for professional services		<b>35</b>

**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 SEE STATEMENT 20	94,600.
2 SEE STATEMENT 21	93,533.
3 SEE STATEMENT 22	88,257.
4 SEE STATEMENT 23	43,434.

**Part IX-B Summary of Program-Related Investments**

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

**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	1,201,952,557.
b	Average of monthly cash balances .....	1b	237,692,276.
c	Fair market value of all other assets .....	1c	651,488,573.
d	<b>Total</b> (add lines 1a, b, and c) .....	1d	2,091,133,406.
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	2,091,133,406.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions) .....	4	31,367,001.
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4 .....	5	2,059,766,405.
6	<b>Minimum investment return.</b> Enter 5% of line 5 .....	6	102,988,320.

**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	102,988,320.
2a	Tax on investment income for 2016 from Part VI, line 5 .....	2a	1,502,699.
b	Income tax for 2016. (This does not include the tax from Part VI.) .....	2b	60,720.
c	Add lines 2a and 2b .....	2c	1,563,419.
3	Distributable amount before adjustments. Subtract line 2c from line 1 .....	3	101,424,901.
4	Recoveries of amounts treated as qualifying distributions .....	4	54,301.
5	Add lines 3 and 4 .....	5	101,479,202.
6	Deduction from distributable amount (see instructions) .....	6	0.
7	<b>Distributable amount</b> as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1 .....	7	101,479,202.

**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	101,981,383.
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	185,623.
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	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4 .....	4	102,167,006.
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	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4 .....	6	102,167,006.

**Note:** The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.



**Part XIII Undistributed Income** (see instructions)

	(a) Corpus	(b) Years prior to 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7				101,479,202.
2 Undistributed income, if any, as of the end of 2016:				
a Enter amount for 2015 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2016:				
a From 2011	9,746,130.			
b From 2012	5,240,026.			
c From 2013	2,265,151.			
d From 2014				
e From 2015				
f Total of lines 3a through e	17,251,307.			
4 Qualifying distributions for 2016 from Part XII, line 4: ▶ \$102,167,006.				
a Applied to 2015, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2016 distributable amount				101,479,202.
e Remaining amount distributed out of corpus	687,804.			
5 Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	17,939,111.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2015. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2016. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2017				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)	4,729,994.			
8 Excess distributions carryover from 2011 not applied on line 5 or line 7	5,016,136.			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	8,192,981.			
10 Analysis of line 9:				
a Excess from 2012	5,240,026.			
b Excess from 2013	2,265,151.			
c Excess from 2014				
d Excess from 2015				
e Excess from 2016	687,804.			

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

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

SEE STATEMENT 24

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

SEE STATEMENT 24

**c** Any submission deadlines:

SEE STATEMENT 24

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

SEE STATEMENT 24

**Part XV** Supplementary Information (continued)

<b>3 Grants and Contributions Paid During the Year or Approved for Future Payment</b>				
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)				
<b>a Paid during the year</b>				
SEE STATEMENT 25				87,796,380.
<b>Total</b> .....				<b>87,937,380.</b>
<b>b Approved for future payment</b>				
SEE STATEMENT 25D				62,045,000.
<b>Total</b> .....				<b>62,045,000.</b>





THE MCKNIGHT FOUNDATION

**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 EIN: 51-0605779 - CAPITAL GAIN(LOSS)	P		
b EIN: 20-8306306 - CAPITAL GAIN(LOSS)	P		
c EIN: 20-8306365 - CAPITAL GAIN(LOSS)	P		
d EIN: 36-4778201 - CAPITAL GAIN(LOSS)	P		
e EIN: 74-3234906 - CAPITAL GAIN(LOSS)	P		
f EIN: 98-1007548 - CAPITAL GAIN(LOSS)	P		
g EIN: 20-6762882 - CAPITAL GAIN(LOSS)	P		
h EIN: 20-1575014 - CAPITAL GAIN(LOSS)	P		
i EIN: 26-0174894 - CAPITAL GAIN(LOSS)	P		
j EIN: 76-0568219 - CAPITAL GAIN(LOSS)	P		
k EIN: 16-1720038 - CAPITAL GAIN(LOSS)	P		
l EIN: 06-1605326 - CAPITAL GAIN(LOSS)	P		
m EIN: 06-1605325 - CAPITAL GAIN(LOSS)	P		
n EIN: 16-1720044 - CAPITAL GAIN(LOSS)	P		
o EIN: 16-1720029 - CAPITAL GAIN(LOSS)	P		

(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 475,338.		423,026.	52,312.
b 4,784,212.		591,848.	4,192,364.
c 2,101,819.		-676,724.	2,778,543.
d 75,692.		31,335.	44,357.
e 192,415.		34,021.	158,394.
f		-58,612.	58,612.
g		3,209,210.	-3,209,210.
h		13,431,114.	-13,431,114.
i		675.	-675.
j		2,142.	-2,142.
k 1,878,749.		-150,999.	2,029,748.
l 1,453,666.		-726,294.	2,179,960.
m 145,065.		-1,125,790.	1,270,855.
n 2,590,341.		-452,743.	3,043,084.
o 1,660,787.		-1,019,912.	2,680,699.

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			52,312.
b			4,192,364.
c			2,778,543.
d			44,357.
e			158,394.
f			58,612.
g			-3,209,210.
h			-13,431,114.
i			-675.
j			-2,142.
k			2,029,748.
l			2,179,960.
m			1,270,855.
n			3,043,084.
o			2,680,699.

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	

THE MCKNIGHT FOUNDATION

**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	EIN: 04-3464304 - CAPITAL GAIN(LOSS)	P		
b	EIN: 04-3464306 - CAPITAL GAIN(LOSS)	P		
c	EIN: 04-3699017 - CAPITAL GAIN(LOSS)	P		
d	EIN: 54-2082888 - CAPITAL GAIN(LOSS)	P		
e	EIN: 01-0682079 - CAPITAL GAIN(LOSS)	P		
f	EIN: 52-2459514 - CAPITAL GAIN(LOSS)	P		
g	EIN: 05-0623924 - CAPITAL GAIN(LOSS)	P		
h	EIN: 34-2063502 - CAPITAL GAIN(LOSS)	P		
i	EIN: 34-2063501 - CAPITAL GAIN(LOSS)	P		
j	EIN: 20-8254632 - CAPITAL GAIN(LOSS)	P		
k	EIN: 30-0486792 - CAPITAL GAIN(LOSS)	P		
l	EIN: 20-4787675 - CAPITAL GAIN(LOSS)	P		
m	EIN: 98-0498321 - CAPITAL GAIN(LOSS)	P		
n	EIN: 26-1269055 - CAPITAL GAIN(LOSS)	P		
o	EIN: 98-0573774 - CAPITAL GAIN(LOSS)	P		

	(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	344,052.		-90,641.	434,693.
b	414,200.		94,415.	319,785.
c	593,653.		63,714.	529,939.
d	276,812.		76,829.	199,983.
e	674,202.		-163,455.	837,657.
f	1,935,326.		154,220.	1,781,106.
g	2,765,870.		461,680.	2,304,190.
h	1,555,933.		-31,704.	1,587,637.
i	2,238,827.		39,821.	2,199,006.
j	2,190,084.		2,437,261.	-247,177.
k	1,070,225.		52,053.	1,018,172.
l	1,719,275.		178,166.	1,541,109.
m	1,260,473.		245,819.	1,014,654.
n	1,283,993.		7,594.	1,276,399.
o	1,154,102.		451,440.	702,662.

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			434,693.
b			319,785.
c			529,939.
d			199,983.
e			837,657.
f			1,781,106.
g			2,304,190.
h			1,587,637.
i			2,199,006.
j			-247,177.
k			1,018,172.
l			1,541,109.
m			1,014,654.
n			1,276,399.
o			702,662.

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

THE MCKNIGHT FOUNDATION

**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	EIN: 26-4597364 - CAPITAL GAIN(LOSS)	P		
b	EIN: 32-0419681 - CAPITAL GAIN(LOSS)	P		
c	EIN: 47-5141197 - CAPITAL GAIN(LOSS)	P		
d	EIN: 36-7045759 - CAPITAL GAIN(LOSS)	P		
e	EIN: 27-0114160 - CAPITAL GAIN(LOSS)	P		
f	EIN: 11-3814030 - CAPITAL GAIN(LOSS)	P		
g	EIN: 26-4138517 - CAPITAL GAIN(LOSS)	P		
h	EIN: 80-0788864 - CAPITAL GAIN(LOSS)	P		
i	EIN: 47-2004432 - CAPITAL GAIN(LOSS)	P		
j	EIN: 26-3872534 - CAPITAL GAIN(LOSS)	P		
k	EIN: 27-4186418 - CAPITAL GAIN(LOSS)	P		
l	EIN: 27-4846111 - CAPITAL GAIN(LOSS)	P		
m	EIN: 80-0966179 - CAPITAL GAIN(LOSS)	P		
n	EIN: 47-1688982 - CAPITAL GAIN(LOSS)	P		
o	EIN: 26-2030488 - CAPITAL GAIN(LOSS)	P		

	(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	685,179.		57,194.	627,985.
b	2,411,285.		335,085.	2,076,200.
c			11,771.	-11,771.
d	3,091,944.		-350,161.	3,442,105.
e	2,654,447.		654,087.	2,000,360.
f	1,221,333.		-1,970,389.	3,191,722.
g	444,191.		-203,718.	647,909.
h	146,453.		-81,445.	227,898.
i	38,994.		-162,289.	201,283.
j	372,320.		-143,184.	515,504.
k	923,756.		420,470.	503,286.
l	195,685.		-221,352.	417,037.
m	229,576.		-188,350.	417,926.
n	27,427.		-49,640.	77,067.
o	2,406,029.		1,294,424.	1,111,605.

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			627,985.
b			2,076,200.
c			-11,771.
d			3,442,105.
e			2,000,360.
f			3,191,722.
g			647,909.
h			227,898.
i			201,283.
j			515,504.
k			503,286.
l			417,037.
m			417,926.
n			77,067.
o			1,111,605.

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



THE MCKNIGHT FOUNDATION

**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 EIN: 98-0599574 - CAPITAL GAIN(LOSS)	P		
b EIN: 27-2860708 - CAPITAL GAIN(LOSS)	P		
c EIN: 13-4032108 - CAPITAL GAIN(LOSS)	P		
d EIN: 47-4774377 - CAPITAL GAIN(LOSS)	P		
e PUBLICLY TRADED SECURITIES	P		
f MELLON VMB #500-789	P		
g MELLON VMB II #500-791	P		
h MAGELLAN	P		
i MELLON GLOBAL ALPHA #500-801	P		
j MELLON BROAD MKT #502-527	P		
k BAILLIE GIFFORD EAFE FUND	P		
l II PRIVATE EQUITY GEN CLIMATE II	P		
m ARCHSTONE	P		
n EVANSTON	P		
o LESS: UBI CAPITAL GAIN	P		

(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 532,760.		631,620.	-98,860.
b		33,173.	-33,173.
c		115,301.	-115,301.
d 480,087.		-11,595.	491,682.
e 19,240,847.		10,051,718.	9,189,129.
f 85,007.			85,007.
g 77,478.			77,478.
h 22,467.			22,467.
i		4,046,810.	-4,046,810.
j 2,704,362.			2,704,362.
k 2,447,816.			2,447,816.
l 489,140.			489,140.
m 15,702,353.			15,702,353.
n			0.
o		845,442.	-845,442.

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			-98,860.
b			-33,173.
c			-115,301.
d			491,682.
e			9,189,129.
f			85,007.
g			77,478.
h			22,467.
i			-4,046,810.
j			2,704,362.
k			2,447,816.
l			489,140.
m			15,702,353.
n			0.
o			-845,442.

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

623591  
04-01-16

THE MCKNIGHT FOUNDATION

**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.)
<b>1a GAIN (LOSS) OF DISPOSAL OF FIXED ASSETS</b>	<b>P</b>		
b			
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		9,675.	-9,675.
b			
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			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			-9,675.
b			
c			
d			
e			
f			
g			
h			
i			
j			
k			
l			
m			
n			
o			

<b>2</b> 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 } .....	<b>2</b>	58,851,891.
<b>3</b> 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 .....	<b>3</b>	N/A

**Schedule B**

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.  
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2016**

Name of the organization

THE MCKNIGHT FOUNDATION

Employer identification number

41-0754835

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)( ) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

**General Rule**

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

**Special Rules**

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ..... ▶ \$ \_\_\_\_\_

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

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

<b>Name of organization</b>  <b>THE MCKNIGHT FOUNDATION</b>	<b>Employer identification number</b>  <b>41-0754835</b>
---	--

**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	BILL AND MELINDA GATES FOUNDATION  PO BOX 23350  SEATTLE, WA 98102	\$ 356,564.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	_____ _____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	_____ _____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	_____ _____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	_____ _____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	_____ _____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	_____ _____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization  <b>THE MCKNIGHT FOUNDATION</b>	Employer identification number  <b>41-0754835</b>
--	---

**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
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	

Name of organization  <b>THE MCKNIGHT FOUNDATION</b>	Employer identification number  <b>41-0754835</b>
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**Part III** Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this info. once.) ▶ \$ \_\_\_\_\_  
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

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

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

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

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

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

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

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

# Underpayment of Estimated Tax by Corporations

Department of the Treasury  
Internal Revenue Service

▶ Attach to the corporation's tax return. **FORM 990-PF**

**2016**

▶ Information about Form 2220 and its separate instructions is at [www.irs.gov/form2220](http://www.irs.gov/form2220).

Name **THE MCKNIGHT FOUNDATION** Employer identification number **41-0754835**

**Note:** Generally, the corporation isn't required to file Form 2220 (see Part II below for exceptions) because the IRS will figure any penalty owed and bill the corporation. However, the corporation may still use Form 2220 to figure the penalty. If so, enter the amount from page 2, line 38 on the estimated tax penalty line of the corporation's income tax return, but **do not** attach Form 2220.

<b>Part I Required Annual Payment</b>			
1	Total tax (see instructions) .....	1	1,502,699.
2a	Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 1 .....	2a	
2b	Look-back interest included on line 1 under section 460(b)(2) for completed long-term contracts or section 167(g) for depreciation under the income forecast method .....	2b	
2c	Credit for federal tax paid on fuels (see instructions) .....	2c	
2d	<b>Total.</b> Add lines 2a through 2c .....	2d	
3	Subtract line 2d from line 1. If the result is less than \$500, <b>do not</b> complete or file this form. The corporation doesn't owe the penalty .....	3	1,502,699.
4	Enter the tax shown on the corporation's 2015 income tax return. See instructions. <b>Caution: If the tax is zero or the tax year was for less than 12 months, skip this line and enter the amount from line 3 on line 5</b> .....	4	2,317,508.
5	<b>Required annual payment.</b> Enter the <b>smaller</b> of line 3 or line 4. If the corporation is required to skip line 4, enter the amount from line 3 .....	5	1,502,699.

**Part II Reasons for Filing** - Check the boxes below that apply. If any boxes are checked, the corporation **must** file Form 2220 even if it doesn't owe a penalty. See instructions.

6	<input type="checkbox"/> The corporation is using the adjusted seasonal installment method.
7	<input checked="" type="checkbox"/> The corporation is using the annualized income installment method.
8	<input checked="" type="checkbox"/> The corporation is a "large corporation" figuring its first required installment based on the prior year's tax.

**Part III Figuring the Underpayment**

	(a)	(b)	(c)	(d)	
9 <b>Installment due dates.</b> Enter in columns (a) through (d) the 15th day of the 4th ( <b>Form 990-PF filers:</b> Use 5th month), 6th, 9th, and 12th months of the corporation's tax year .....	9	05/15/16	06/15/16	09/15/16	12/15/16
10 <b>Required installments.</b> If the box on line 6 and/or line 7 above is checked, enter the amounts from Sch A, line 38. If the box on line 8 (but not 6 or 7) is checked, see instructions for the amounts to enter. If none of these boxes are checked, enter 25% (0.25) of line 5 above in each column. ....	10	30,579.	140,663.	167,571.	1,083,606.
11 <b>Estimated tax paid or credited for each period.</b> For column (a) only, enter the amount from line 11 on line 15. See instructions .....	11	290,496.	250,000.		1,100,000.
<b>Complete lines 12 through 18 of one column before going to the next column.</b>					
12 Enter amount, if any, from line 18 of the preceding column .....	12		259,917.	369,254.	201,683.
13 Add lines 11 and 12 .....	13		509,917.	369,254.	1,301,683.
14 Add amounts on lines 16 and 17 of the preceding column .....	14				
15 Subtract line 14 from line 13. If zero or less, enter -0- .....	15	290,496.	509,917.	369,254.	1,301,683.
16 If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0- .....	16		0.	0.	
17 <b>Underpayment.</b> If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18 .....	17				
18 <b>Overpayment.</b> If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column .....	18	259,917.	369,254.	201,683.	

**Go to Part IV on page 2 to figure the penalty. Do not go to Part IV if there are no entries on line 17 - no penalty is owed.**  
LHA For Paperwork Reduction Act Notice, see separate instructions. Form 2220 (2016)

**Part IV Figuring the Penalty**

	(a)	(b)	(c)	(d)
<b>19</b> Enter the date of payment or the 15th day of the 4th month after the close of the tax year, whichever is earlier. <i>(C Corporations with tax years ending June 30 and S corporations: Use 3rd month instead of 4th month. Form 990-PF and Form 990-T filers: Use 5th month instead of 4th month.)</i> See instructions .....	<b>19</b>			
<b>20</b> Number of days from due date of installment on line 9 to the date shown on line 19 .....	<b>20</b>			
<b>21</b> Number of days on line 20 after 4/15/2016 and before 7/1/2016 .....	<b>21</b>			
<b>22</b> Underpayment on line 17 x $\frac{\text{Number of days on line 21} \times 4\% (0.04)}{366}$ .....	<b>22</b>	\$	\$	\$
<b>23</b> Number of days on line 20 after 06/30/2016 and before 10/1/2016 .....	<b>23</b>			
<b>24</b> Underpayment on line 17 x $\frac{\text{Number of days on line 23} \times 4\% (0.04)}{366}$ .....	<b>24</b>	\$	\$	\$
<b>25</b> Number of days on line 20 after 9/30/2016 and before 1/1/2017 .....	<b>25</b>			
<b>26</b> Underpayment on line 17 x $\frac{\text{Number of days on line 25} \times 4\% (0.04)}{366}$ .....	<b>26</b>	\$	\$	\$
<b>27</b> Number of days on line 20 after 12/31/2016 and before 4/1/2017 .....	<b>27</b>			
<b>28</b> Underpayment on line 17 x $\frac{\text{Number of days on line 27} \times 4\% (0.04)}{365}$ .....	<b>28</b>	\$	\$	\$
<b>29</b> Number of days on line 20 after 3/31/2017 and before 7/1/2017 .....	<b>29</b>			
<b>30</b> Underpayment on line 17 x $\frac{\text{Number of days on line 29} \times \%}{365}$ .....	<b>30</b>	\$	\$	\$
<b>31</b> Number of days on line 20 after 6/30/2017 and before 10/1/2017 .....	<b>31</b>			
<b>32</b> Underpayment on line 17 x $\frac{\text{Number of days on line 31} \times \%}{365}$ .....	<b>32</b>	\$	\$	\$
<b>33</b> Number of days on line 20 after 9/30/2017 and before 1/1/2018 .....	<b>33</b>			
<b>34</b> Underpayment on line 17 x $\frac{\text{Number of days on line 33} \times \%}{365}$ .....	<b>34</b>	\$	\$	\$
<b>35</b> Number of days on line 20 after 12/31/2017 and before 3/16/2018 .....	<b>35</b>			
<b>36</b> Underpayment on line 17 x $\frac{\text{Number of days on line 35} \times \%}{365}$ .....	<b>36</b>	\$	\$	\$
<b>37</b> Add lines 22, 24, 26, 28, 30, 32, 34, and 36 .....	<b>37</b>	\$	\$	\$
<b>38 Penalty.</b> Add columns (a) through (d) of line 37. Enter the total here and on Form 1120, line 33; or the comparable line for other income tax returns .....	<b>38</b>	\$		0.

\* Use the penalty interest rate for each calendar quarter, which the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS website at [www.irs.gov](http://www.irs.gov). You can also call 1-800-829-4933 to get interest rate information.



**Schedule A Adjusted Seasonal Installment Method and Annualized Income Installment Method**

See instructions.

**Form 1120S filers:** For lines 1, 2, 3, and 21, below, "taxable income" refers to excess net passive income or the amount on which tax is imposed under section 1374(a), whichever applies.

**Part I Adjusted Seasonal Installment Method**

**Caution:** Use this method only if the base period percentage for any 6 consecutive months is at least 70%. See instructions.

		(a)	(b)	(c)	(d)
		First 3 months	First 5 months	First 8 months	First 11 months
1 Enter taxable income for the following periods:					
a Tax year beginning in 2013 .....	1a				
b Tax year beginning in 2014 .....	1b				
c Tax year beginning in 2015 .....	1c				
2 Enter taxable income for each period for the tax year beginning in 2016. See the instructions for the treatment of extraordinary items	2				
3 Enter taxable income for the following periods:		First 4 months	First 6 months	First 9 months	Entire year
a Tax year beginning in 2013 .....	3a				
b Tax year beginning in 2014 .....	3b				
c Tax year beginning in 2015 .....	3c				
4 Divide the amount in each column on line 1a by the amount in column (d) on line 3a .....	4				
5 Divide the amount in each column on line 1b by the amount in column (d) on line 3b .....	5				
6 Divide the amount in each column on line 1c by the amount in column (d) on line 3c .....	6				
7 Add lines 4 through 6 .....	7				
8 Divide line 7 by 3.0 .....	8				
9a Divide line 2 by line 8 .....	9a				
b Extraordinary items (see instructions) .....	9b				
c Add lines 9a and 9b .....	9c				
10 Figure the tax on the amt on ln 9c using the instr for Form 1120, Sch J, line 2 or comparable line of corp's return ...	10				
11a Divide the amount in columns (a) through (c) on line 3a by the amount in column (d) on line 3a .....	11a				
b Divide the amount in columns (a) through (c) on line 3b by the amount in column (d) on line 3b .....	11b				
c Divide the amount in columns (a) through (c) on line 3c by the amount in column (d) on line 3c .....	11c				
12 Add lines 11a through 11c .....	12				
13 Divide line 12 by 3.0 .....	13				
14 Multiply the amount in columns (a) through (c) of line 10 by columns (a) through (c) of line 13. In column (d), enter the amount from line 10, column (d) .....	14				
15 Enter any alternative minimum tax for each payment period. See instructions .....	15				
16 Enter any other taxes for each payment period. See instr.	16				
17 Add lines 14 through 16 .....	17				
18 For each period, enter the same type of credits as allowed on Form 2220, lines 1 and 2c. See instructions .....	18				
19 Total tax after credits. Subtract line 18 from line 17. If zero or less, enter -0- .....	19				

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**Part II Annualized Income Installment Method**

		(a)	(b)	(c)	(d)
		First <u>2</u> months	First <u>4</u> months	First <u>7</u> months	First <u>10</u> months
20	Annualization periods (see instructions)				
21	Enter taxable income for each annualization period. See instructions for the treatment of extraordinary items	1,019,283.	5,708,055.	13,176,042.	59,267,456.
22	Annualization amounts (see instructions)	6.000000	3.000000	1.714290	1.200000
23a	Annualized taxable income. Multiply line 21 by line 22	6,115,698.	17,124,165.	22,587,557.	71,120,947.
23b	Extraordinary items (see instructions)				
23c	Add lines 23a and 23b	6,115,698.	17,124,165.	22,587,557.	71,120,947.
24	Figure the tax on the amount on line 23c using the instructions for Form 1120, Schedule J, line 2, or comparable line of corporation's return	122,314.	342,483.	451,751.	1,422,419.
25	Enter any alternative minimum tax for each payment period (see instructions)				
26	Enter any other taxes for each payment period. See instr.				
27	Total tax. Add lines 24 through 26	122,314.	342,483.	451,751.	1,422,419.
28	For each period, enter the same type of credits as allowed on Form 2220, lines 1 and 2c. See instructions				
29	Total tax after credits. Subtract line 28 from line 27. If zero or less, enter -0-	122,314.	342,483.	451,751.	1,422,419.
30	Applicable percentage	25%	50%	75%	100%
31	Multiply line 29 by line 30	30,579.	171,242.	338,813.	1,422,419.

**Part III Required Installments**

		1st installment	2nd installment	3rd installment	4th installment
		<b>Note:</b> Complete lines 32 through 38 of one column before completing the next column.			
32	If only Part I or Part II is completed, enter the amount in each column from line 19 or line 31. If both parts are completed, enter the <b>smaller</b> of the amounts in each column from line 19 or line 31	30,579.	171,242.	338,813.	1,422,419.
33	Add the amounts in all preceding columns of line 32. See instructions		30,579.	171,242.	338,813.
34	<b>Adjusted seasonal or annualized income installments.</b> Subtract line 33 from line 32. If zero or less, enter -0-	30,579.	140,663.	167,571.	1,083,606.
35	Enter 25% (0.25) of line 5 on page 1 of Form 2220 in each column. <b>Note:</b> "Large corporations," see the instructions for line 10 for the amounts to enter	375,675.	375,675.	375,674.	375,675.
36	Subtract line 38 of the preceding column from line 37 of the preceding column		345,096.	580,108.	788,211.
37	Add lines 35 and 36	375,675.	720,771.	955,782.	1,163,886.
38	<b>Required installments.</b> Enter the <b>smaller</b> of line 34 or line 37 here and on page 1 of Form 2220, line 10. See instructions	30,579.	140,663.	167,571.	1,083,606.

Form 2220 (2016)

\*\* ANNUALIZED INCOME INSTALLMENT METHOD USING OPTION 1