

Form **990-PF**
 Department of the Treasury
 Internal Revenue Service

Return of Private Foundation
or Section 4947(a)(1) Trust Treated as Private Foundation
 ▶ Do not enter social security numbers on this form as it may be made public.
 ▶ Information about Form 990-PF and its instructions is at www.irs.gov/form990pf.

OMB No 1545-0052
2016
Open to Public Inspection

For calendar year 2016, or tax year beginning 12-01-2016, and ending 11-30-2017

Name of foundation FUND II FOUNDATION		A Employer identification number 47-2396669
Number and street (or P O box number if mail is not delivered to street address) 401 CONGRESS AVE NO 3100	Room/suite	B Telephone number (see instructions) (512) 730-2426
City or town, state or province, country, and ZIP or foreign postal code AUSTIN, TX 78701		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) ▶ \$ 104,630,257	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses <i>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))</i>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check <input checked="" 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	24,202,748	24,202,748		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	485,724			
	b Gross sales price for all assets on line 6a	2,485,724			
	7 Capital gain net income (from Part IV, line 2)		485,724		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	24,688,472	24,688,472			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	245,000	41,250		203,750
	14 Other employee salaries and wages	90,000	4,500		85,500
	15 Pension plans, employee benefits	3,392	73		3,319
	16a Legal fees (attach schedule)	311,333	120,000		191,333
	b Accounting fees (attach schedule)	33,982	3,398		30,584
	c Other professional fees (attach schedule)				
	17 Interest	29,894	0		29,894
	18 Taxes (attach schedule) (see instructions)	17,217	369		16,848
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy	10,316	0		10,316
	21 Travel, conferences, and meetings	45,985	0		45,985
	22 Printing and publications				
	23 Other expenses (attach schedule)	274,530	94		274,436
	24 Total operating and administrative expenses. Add lines 13 through 23	1,061,649	169,684		891,965
	25 Contributions, gifts, grants paid	17,729,969			17,729,969
26 Total expenses and disbursements. Add lines 24 and 25	18,791,618	169,684		18,621,934	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	5,896,854				
b Net investment income (if negative, enter -0-)		24,518,788			
c Adjusted net income (if negative, enter -0-)					

Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	7,616,237	4,017,297	4,017,297
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	4 Pledges receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach schedule) ▶ _____ Less allowance for doubtful accounts ▶ _____			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	1,535,704	887,444	887,444
	10a Investments—U S and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)			
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)	89,581,462	139,860,618	99,498,738
	14 Land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
15 Other assets (describe ▶ _____)	3,824	226,778	226,778	
16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	98,737,227	144,992,137	104,630,257	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶ _____)			
	23 Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <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	98,737,227	144,992,137		
30 Total net assets or fund balances (see instructions)	98,737,227	144,992,137		
31 Total liabilities and net assets/fund balances (see instructions) .	98,737,227	144,992,137		

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	98,737,227
2 Enter amount from Part I, line 27a		2	5,896,854
3 Other increases not included in line 2 (itemize) ▶ _____		3	40,361,880
4 Add lines 1, 2, and 3		4	144,995,961
5 Decreases not included in line 2 (itemize) ▶ _____		5	3,824
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 .		6	144,992,137

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1 a WATERFALL CASHOUT	P	2017-01-17	2017-07-12
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 2,485,724		2,000,000	485,724
b			
c			
d			
e			

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			485,724
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	2	485,724
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	3	

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
 If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2015	161,562,440	126,907,149	1.273076
2014	59,854,084	182,314,902	0.328301
2013	0	4,925,000	0.000000
2012			
2011			

2 Total of line 1, column (d)	2	1.601377
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.533792
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	98,830,389
5 Multiply line 4 by line 3	5	52,754,871
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	245,188
7 Add lines 5 and 6	7	53,000,059
8 Enter qualifying distributions from Part XII, line 4	8	18,621,934

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, domestic foundations, tax under section 511, subtitle A tax, and total tax due. Total tax due is 397,072.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Includes questions about political campaigns, political expenditures, and state reporting. Includes Yes/No columns.

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) 991. 11 Yes
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions) 12 No
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address WWW.FUND2FOUNDATION.ORG 13 Yes
14 The books are in care of FUND II FOUNDATION Telephone no (512) 621-5942

Located at 401 CONGRESS AVENUE SUITE 3100 AUSTIN TX ZIP+4 78701

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here 15

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 instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) If "Yes," enter the name of the foreign country SZ

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)?
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?
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)? Yes No

Organizations relying on a current notice regarding disaster assistance check here. Yes No

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? Yes No

If "Yes," attach the statement required by Regulations section 53.4945–5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No

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

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

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

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

(a) Name and address of each employee paid more than \$50,000	Title, and average hours per week (b) devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
PAIGE BURTON 401 CONGRESS AVE STE 3100 AUSTIN, TX 78701	PROGRAM MANAGER 40 00	90,000	2,501	0

Total number of other employees paid over \$50,000. Yes No 0

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

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE".		
(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
KIRKLAND & ELLIS 655 FIFTEENTH STREET NW WASHINGTON, DC 20005	LEGAL	157,758
POLSINELLI PC 900 W 48TH PLACE SUITE 900 KANSAS CITY, MO 64112	LEGAL	130,262
ARNOLD STOVELL 375 MT PROSPECT AVE APT 6AW NEWARK, NJ 07104	CONSULTING	34,000
HARLYN PACHECO 3216 SAINT CROIX DR DALLAS, TX 76229	CONSULTING	29,988
ATCHLEY & ASSOCIATES 1005 LA POSADA DRIVE AUSTIN, TX 78752	ACCOUNTING	27,074
Total number of others receiving over \$50,000 for professional services. ▶		0

Part IX-A Summary of Direct Charitable Activities

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

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

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

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities.	1a	91,209,426
b	Average of monthly cash balances.	1b	8,011,772
c	Fair market value of all other assets (see instructions).	1c	1,114,222
d	Total (add lines 1a, b, and c).	1d	100,335,420
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	100,335,420
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	1,505,031
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	98,830,389
6	Minimum investment return. Enter 5% of line 5.	6	4,941,519

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	4,941,519
2a	Tax on investment income for 2016 from Part VI, line 5.	2a	490,376
b	Income tax for 2016 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	490,376
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	4,451,143
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	4,451,143
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	4,451,143

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	18,621,934
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	18,621,934
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions).	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	18,621,934

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				4,451,143
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only.			0	
b Total for prior years 20___, 20___, 20___		0		
3 Excess distributions carryover, if any, to 2016				
a From 2011.				
b From 2012.				
c From 2013.				
d From 2014.				
e From 2015.				155,418,051
f Total of lines 3a through e.	155,418,051			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ \$ <u>18,621,934</u>				
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.				4,451,143
e Remaining amount distributed out of corpus	14,170,791			
5 Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a))				0
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	169,588,842			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.		0		
d Subtract line 6c from line 6b Taxable amount—see instructions		0		
e Undistributed income for 2015 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2017				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions).	0			
8 Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions).	0			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	169,588,842			
10 Analysis of line 9				
a Excess from 2012.				
b Excess from 2013.				
c Excess from 2014.				
d Excess from 2015.				155,418,051
e Excess from 2016.				14,170,791

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

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

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

2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

	Tax year	Prior 3 years			(e) Total
	(a) 2016	(b) 2015	(c) 2014	(d) 2013	
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					

3 Complete 3a, b, or c for the alternative test relied upon

a "Assets" alternative test—enter

(1) Value of all assets

(2) Value of assets qualifying under section 4942(j)(3)(B)(i)

b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed.

c "Support" alternative test—enter

(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)

(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii).

(3) Largest amount of support from an exempt organization

(4) Gross investment income

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

1 Information Regarding Foundation Managers:

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

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

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

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

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

PAIGE BURTON
401 CONGRESS AVE
AUSTIN, TX 78701
(512) 730-2426

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

LETTERS OF INTENT AND APPLICATIONS ARE RECEIVED ELECTRONICALLY BY EMAIL AND INCLUDE AN INTRODUCTION OF THE APPLICANT'S ORGANIZATION, HOW THEIR ORGANIZATION FITS WITH FUND II FOUNDATION'S PRIORITY MANDATES, A DESCRIPTION OF WHY IS IT CRITICAL TO CARRY OUT THEIR MISSION, GRANT AMOUNT REQUESTED, AND FINALLY, THE POPULATION THEIR ORGANIZATION WILL SERVE

c Any submission deadlines

NONE

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

THE FOUNDATION MAKES GRANTS TO SECTION 501(C)(3) PUBLIC CHARITIES FOCUSED ON FIVE AREAS 1) CULTURAL CONSERVATION THAT PRESERVES THE AFRICAN AMERICAN EXPERIENCE IN HISTORY FOR ALL FUTURE GENERATIONS 2) SAFEGUARDING HUMAN DIGNITY BY GIVING A VOICE TO THE VOICELESS AND PROMOTING HUMAN RIGHTS 3) ENVIRONMENTAL CONSERVATION AND EDUCATION THAT CONNECTS PEOPLE OF ALL AGES AND BACKGROUNDS TO THE OUTDOORS 4) MUSIC EDUCATION, PARTICULARLY IN PRIMARY AND SECONDARY SCHOOLS, TO NOURISH TALENT AND THE SOUL 5) SUSTAINING AMERICAN VALUES OF ENTREPRENEURSHIP, EMPOWERMENT, INNOVATION AND SECURITY

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 <i>Paid during the year</i> See Additional Data Table				
Total ▶ 3a				17,729,969
b <i>Approved for future payment</i>				
Total ▶ 3b				0

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) of the Code... 1a(1) Cash... 1a(2) Other assets... 1b(1) Sales of assets... 1b(2) Purchases of assets... 1b(3) Rental of facilities... 1b(4) Reimbursement arrangements... 1b(5) Loans or loan guarantees... 1b(6) Performance of services... 1c Sharing of facilities...

Table with 4 columns: (a) Line No, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements.

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code... [] Yes [x] No

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

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

Paid Preparer Use Only Print/Type preparer's name, Preparer's Signature, Date, Check if self-employed, PTIN, Firm's name, Firm's address, Firm's EIN, Phone no.

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

(a) Name and address	Title, and average hours per week (b) devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances
ROBERT F SMITH 401 CONGRESS AVE STE 3100 AUSTIN, TX 78701	PRESIDENT/DIRECTOR 2 00	25,000	0	0
ALEXANDRA SOPHIE TOD 401 CONGRESS AVE STE 3100 AUSTIN, TX 78701	DIRECTOR 1 00	25,000	0	0
ANTHONY C SPIKES 401 CONGRESS AVE STE 3100 AUSTIN, TX 78701	TREASURER/DIRECTOR 2 00	25,000	0	0
DAFNA TAPIERO 401 CONGRESS AVE STE 3100 AUSTIN, TX 78701	DIRECTOR/SECRETARY 2 00	25,000	0	0
VICTORIA KENNEDY 401 CONGRESS AVE STE 3100 AUSTIN, TX 78701	DIRECTOR 1 00	25,000	0	0
LINDA WILSON 401 CONGRESS AVE STE 3100 AUSTIN, TX 78701	EXECUTIVE DIRECTOR 60 00	120,000	0	0

Form 990PF Part XV Line 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 <i>Paid during the year</i>				
BOB WOODRUFF FOUNDATION 1350 BROADWAY STE 905 NEW YORK, NY 10018	N/A	PC	TO PROVIDE FUNDING FOR GRANTEE'S CHARITABLE INVESTMENTS PROGRAM SERVING VETERANS	600,000
INTERNATIONAL HOUSE FOUNDATION 500 RIVERSIDE DRIVE NEW YORK, NY 10027	N/A	PC	TO PRESERVE AND CELEBRATE AFRICAN AND AFRICAN AMERICAN CULTURE THROUGH EXPANDED PROGRAMMING	500,000
INTERNATIONAL MEDICAL CORP 12400 WILSHIRE BLVD STE 1500 LOS ANGELES, CA 90025	N/A	PC	TO ENHANCE EDUCATION AND TRAINING FOR MIDWIFERY STUDENTS AT KAJO KEJI HEALTH SCIENCES INSTITUTE	300,000
JANE GOODALL INSTITUTE 1595 SPRING HILL ROAD STE 550 VIENNA, VA 22182	N/A	PC	FOR OUTDOOR EDUCATION FOR DISADVANTAGED YOUTH	2,000,000
JOHN F KENNEDY LIBRARY FOUNDATION COLUMBIA POINT 210 MORRISEY BLVD BOSTON, MA 02125	N/A	PC	FOR THE DIGITIZATION OF JFK LIBRARY PRES COLLECTION AND THE HIGH PRIORITY AUDIOVISUAL COLLECTION	2,000,000
Total 3a				17,729,969

Form 990PF Part XV Line 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 <i>Paid during the year</i>				
NATIONAL ACADEMY FOUNDATION 218 WEST 40TH STREET 5TH FLR NEW YORK, NY 10018	N/A	PC	TO DELIVER A HIGH-QUALITY CAREER ACADEMY EXPERIENCE ROOTED IN WORK-BASED INTERNSHIP EXPERIENCES	2,000,000
REGIS F GROFF FOUNDATION 2079 ALBION ST DENVER, CO 80207	N/A	PC	FOR ACADEMIC SCHOLARSHIPS AND PROGRAMMING	30,000
ROBERT F KENNEDY CENTER FOR JUSTICE AND HUMAN RIGHTS 1300 19TH STREET NW SUIT WASHINGTON, DC 20036	N/A	PC	FOR HUMAN RIGHTS PROGRAMS	2,999,969
RON BROWN SCHOLAR PROGRAM 485 HILLSDALE DRIVE STE 206 CHARLOTTESVILLE, VA 22901	N/A	PC	TO EXPAND THE GPS PROGRAM TO EMPOWER COLLEGE BOUND HIGH SCHOOL STUDENTS AND THEIR FAMILIES	2,000,000
SOUTHERN POVERTY LAW CENTER 400 WASHINGTON AVE MONTGOMERY, AL 36104	N/A	PC	TO ADVOCATE ON BEHALF OF VULNERABLE CHILDREN IN THE DEEP SOUTH AND REFORM THE CRIMINAL JUSTICE SYSTEMS	3,000,000
Total ▶ 3a				17,729,969

Form 990PF Part XV Line 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 <i>Paid during the year</i>				
THE SETON FUND 1201 W 38TH ST AUSTIN, TX 78705	N/A	PC	TO PURCHASE 10 GIRAFFE OMNIBED CARE STATIONS	500,000
TOGETHER WE RISE 4110 EDISON AVE STE 203 CHINO, CA 91710	N/A	PC	FOR YOUTH PROGRAMS	1,200,000
UNITED SERVICE ORGANIZATION PO BOX 96860 WASHINGTON, DC 20077	N/A	PC	IMPROVE GRANTEE PROGRAMS IN USO CENTERS TO INCREASE SERVICE MEMBER AND FAMILY VISITS	600,000
Total 3a				17,729,969

TY 2016 Accounting Fees Schedule**Name:** FUND II FOUNDATION**EIN:** 47-2396669

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	33,982	3,398		30,584

TY 2016 Investments - Other Schedule**Name:** FUND II FOUNDATION**EIN:** 47-2396669

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
F2F HOLDINGS GRANT 1, LTD.	FMV	1	1
F2F HOLDINGS, LTD.	FMV	127,953,430	87,581,461
US TRUST INVESTMENT	FMV	11,907,187	11,917,276

TY 2016 Legal Fees Schedule**Name:** FUND II FOUNDATION**EIN:** 47-2396669

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
LEGAL FEES	311,333	120,000		191,333

TY 2016 Other Assets Schedule**Name:** FUND II FOUNDATION**EIN:** 47-2396669**Other Assets Schedule**

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
PAYROLL RECEIVABLE	3,824		
ESCROW RECEIVABLE - WATERFALL		226,778	226,778

TY 2016 Itemized Other Assets Schedule**Name:** FUND II FOUNDATION**EIN:** 47-2396669

Corporation Name	Corporation EIN	Other Assets Description	Beginning Amount	Ending Amount
FLASH HOLDINGS LLC NKA F2F HOLDINGS GR	98-1258234	OTHER RECEIVABLES - VEPF III EQ LLC	2,798,521	2,798,521

Corporation Name	Corporation EIN	Other Assets Description	Beginning Amount	Ending Amount
FLASH HOLDINGS LLC NKA F2F HOLDINGS GR	98-1258234	OTHER RECEIVABLES - VEPF III GP LLC	64,903,354	65,486,426

Corporation Name	Corporation EIN	Other Assets Description	Beginning Amount	Ending Amount
FLASH HOLDINGS LLC NKA F2F HOLDINGS GR	98-1258234	OTHER RECEIVABLES - VFF I EQ, LLC	281,677	281,677

Corporation Name	Corporation EIN	Other Assets Description	Beginning Amount	Ending Amount
FLASH HOLDINGS LLC NKA F2F HOLDINGS GR	98-1258234	OTHER RECEIVABLES - VFF I GP, LLC	3,893,362	4,582,356

Corporation Name	Corporation EIN	Other Assets Description	Beginning Amount	Ending Amount
FLASH HOLDINGS LLC NKA F2F HOLDINGS GR	98-1258234	OTHER RECEIVABLES - VEPF IV EQ, LLC	3,096,156	3,096,156

Corporation Name	Corporation EIN	Other Assets Description	Beginning Amount	Ending Amount
FLASH HOLDINGS LLC NKA F2F HOLDINGS GR	98-1258234	OTHER RECEIVABLES - VEPF IV GP, LLC	2,521,436	3,610,415

TY 2016 Other Decreases Schedule**Name:** FUND II FOUNDATION**EIN:** 47-2396669

Description	Amount
PRIOR PERIOD ADJUSTMENT	3,824

TY 2016 Other Expenses Schedule**Name:** FUND II FOUNDATION**EIN:** 47-2396669**Other Expenses Schedule**

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
PROFESSIONAL SERVICE FEES	129,753	0		129,753
IT & SOFTWARE	41,621	0		41,621
INSURANCE	11,090	0		11,090
TELEPHONE	3,292	0		3,292
PAYROLL SERVICE FEES	4,399	94		4,305
STATIONARY AND PRINTING	2,273	0		2,273
ADVERTISING	20,274	0		20,274
BANK CHARGES	5,161	0		5,161
MEALS & ENTERTAINMENT	20,160	0		20,160
OFFICE EXPENSES	13,099	0		13,099

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
OTHER GENERAL AND ADMINISTRATIVE	110	0		110
REPAIR AND MAINTENANCE	29	0		29
SHIPPING & POSTAGE	10,234	0		10,234
MISC	294	0		294
CONTRACT LABOR	5,458	0		5,458
DUES & SUBSCRIPTIONS	50	0		50
SUPPLIES	2,533	0		2,533
GIFT CARDS	4,700	0		4,700

TY 2016 Other Increases Schedule**Name:** FUND II FOUNDATION**EIN:** 47-2396669

Description	Amount
UNREALIZED LOSS	40,361,880

TY 2016 Taxes Schedule**Name:** FUND II FOUNDATION**EIN:** 47-2396669

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
PAYROLL TAXES	17,217	369		16,848

TY 2016 TransfersFrmControlledEntities**Name:** FUND II FOUNDATION**EIN:** 47-2396669

Name	US / Foreign Address	EIN	Description	Amount
F2F HOLDINGS GRANT 1 LTD	PO BOX 309 UGLAND HOUSE, GRAND CAYMAN KY1-1104 CJ	98-1258234	DIVIDENDS	0
Total				24,202,748