

Form **990**

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

2016

Department of the Treasury
Internal Revenue Service

▶ Do not enter social security numbers on this form as it may be made public.
▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

Open to Public Inspection

A For the 2016 calendar year, or tax year beginning and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization ASSOCIATION FOR CULTURAL INTERCHANGE, INC. Doing business as		D Employer identification number 52-6054124
	Number and street (or P.O. box if mail is not delivered to street address) Room/suite 420 LEXINGTON AVENUE 300	E Telephone number 212-297-6199	
	City or town, state or province, country, and ZIP or foreign postal code NEW YORK, NY 10170		G Gross receipts \$ 129,008,382.
	F Name and address of principal officer: WILLIAM P. ORCHARD SAME AS C ABOVE		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)
	I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		H(c) Group exemption number ▶

J Website: ▶ **WWW.CULTURALINTERCHANGE.ORG**

K Form of organization: Corporation Trust Association Other ▶ **L** Year of formation: **1958** **M** State of legal domicile: **MD**

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: SEE SCHEDULE O		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	7
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	6
	5 Total number of individuals employed in calendar year 2016 (Part V, line 2a)	5	2
	6 Total number of volunteers (estimate if necessary)	6	1
	7 a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 24,266,555.	Current Year 17,772,741.
	9 Program service revenue (Part VIII, line 2g)	247,351.	264,024.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	5,152,281.	4,273,679.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-1,296,749.	2,130,188.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	28,369,438.	24,440,632.
	Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	491,750.
14 Benefits paid to or for members (Part IX, column (A), line 4)		0.	0.
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		214,338.	171,909.
16a Professional fundraising fees (Part IX, column (A), line 11e)		0.	0.
b Total fundraising expenses (Part IX, column (D), line 25) ▶ 105,991.			
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)		1,840,127.	2,484,338.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	2,546,215.	4,523,837.	
19 Revenue less expenses. Subtract line 18 from line 12	25,823,223.	19,916,795.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year 162,372,842.	End of Year 189,427,762.
	21 Total liabilities (Part X, line 26)	2,845,023.	3,445,593.
	22 Net assets or fund balances. Subtract line 21 from line 20	159,527,819.	185,982,169.

Part II Signature Block

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 officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer		Date		
	WILLIAM P. ORCHARD, PRESIDENT Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	PTIN
	PAUL K. BRACE Firm's name ▶ ROGOFF & COMPANY, P.C. Firm's address ▶ 355 LEXINGTON AVENUE, 6TH FLOOR NEW YORK, NY 10017-6603				<input type="checkbox"/>
					Firm's EIN ▶ 13-2688836
					Phone no. 212 557-5666

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III [X]

1 Briefly describe the organization's mission: ACI PROVIDES A PROGRAM OF SUPPORT AND ASSISTANCE TO OTHER NOT-FOR-PROFIT ORGANIZATIONS AND EDUCATIONAL AND VOCATIONAL TRAINING INSTITUTIONS FROM ELEMENTARY LEVEL THROUGH GRADUATE STUDIES. ACI EMPHASIZES THE PROMOTION OF INTERNATIONAL UNDERSTANDING AND THE

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [] Yes [X] No If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 1,884,859. including grants of \$ 1,867,590.) (Revenue \$ 121,449.) MADE EDUCATIONAL AND TRAINING GRANTS TO 7 FOREIGN AND 2 DOMESTIC INSTITUTIONS. MANAGED PROGRAM LOANS TO 14 FOREIGN AND 2 DOMESTIC INSTITUTIONS.

4b (Code:) (Expenses \$ 2,068,949. including grants of \$) (Revenue \$) DEVELOPED AND MAINTAINED INSTITUTIONAL PROPERTIES IN JERUSALEM AND ROME USED BY CHARITABLE, EDUCATIONAL AND TRAINING INSTITUTIONS. PROGRAM EXPENSES INCLUDES \$1,381,714 IN PROPERTY DEPRECIATION. INVESTED ADDITIONAL \$19 MILLION FOR CONSTRUCTION OF SAXUM CENTER EDUCATIONAL FACILITY IN ABU GOSH (ISRAEL) WHICH IS SCHEDULED TO BE OPERATIONAL IN 2017.

4c (Code:) (Expenses \$ 138,444. including grants of \$) (Revenue \$ 142,575.) PROVIDED ADMINISTRATIVE SUPPORT TO TWO OTHER 501(C)(3) ORGANIZATIONS WITH SIMILAR GOALS AND PURPOSES ON AN EXPENSE REIMBURSEMENT BASIS.

4d Other program services (Describe in Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 4,092,252.

**ASSOCIATION FOR CULTURAL INTERCHANGE,
INC.**

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	X	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	X	
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>	X	
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>		X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?	X	
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	X	
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>	X	
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X

**ASSOCIATION FOR CULTURAL INTERCHANGE,
INC.**

Part IV Checklist of Required Schedules *(continued)*

	Yes	No
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	X	
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	X	
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>		X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
3b	If "Yes," has it filed a Form 990-T for this year? If "No," to line 3b, provide an explanation in Schedule O		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	X	
4b	If "Yes," enter the name of the foreign country: ISRAEL, ITALY See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
7a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7d	If "Yes," indicate the number of Forms 8282 filed during the year		
7e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
9a	Did the sponsoring organization make any taxable distributions under section 4966?		
9b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
10a	Initiation fees and capital contributions included on Part VIII, line 12		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter:		
11a	Gross income from members or shareholders		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
13a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.		
13b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans		
13c	Enter the amount of reserves on hand		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		X
14b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O		

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
1b	Enter the number of voting members included in line 1a, above, who are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?		X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		X
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
8a	The governing body?	X	
8b	Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?		X
10b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
11b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
12b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	X	
13	Did the organization have a written whistleblower policy?		X
14	Did the organization have a written document retention and destruction policy?		X
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
15a	The organization's CEO, Executive Director, or top management official	X	
15b	Other officers or key employees of the organization	X	
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
16b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed **NONE**
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain in Schedule O)
- 19** Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records: **WILLIAM P. ORCHARD, PRESIDENT - (212) 297-6199**
420 LEXINGTON AVE, SUITE 300, NEW YORK, NY 10170

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) FEDERICO RIERA-MARSA V.P./TREASURER/DIRECTOR	15.00	X		X				0.	0.	0.
(2) WILLIAM P. ORCHARD EXEC. DIR./PRESIDENT/DIREC	40.00	X		X			105,000.	0.	3,400.	
(3) LUIS E. TELLEZ DIRECTOR	1.00	X					0.	0.	0.	
(4) JOHN E. FAGAN DIRECTOR	2.00	X					0.	0.	0.	
(5) JIM SNOW DIRECTOR	1.00	X					0.	0.	0.	
(6) RALPH COTI (DEC'D. SEPT 2016) SECRETARY/DIRECTOR	1.00	X		X			0.	0.	0.	
(7) TIMOTHY BARRY DIRECTOR	1.00	X					0.	0.	0.	
(8) JULIEN NAGORE DIRECTOR	2.00	X					0.	0.	0.	
(9) JOHN PAUL GRAELLS ASSISTANT SECRETARY	15.00			X			0.	0.	0.	

**ASSOCIATION FOR CULTURAL INTERCHANGE,
INC.**

Form 990 (2016)

52-6054124 Page **9**

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f	17,772,741.				
	g Noncash contributions included in lines 1a-1f: \$		84,052.				
	h Total. Add lines 1a-1f		17,772,741.				
Program Service Revenue	2 a SERVICE AGREEMENTS	Business Code					
		561000	142,575.	142,575.			
	b PROGRAM LOAN INTEREST	900099	121,449.	121,449.			
	c						
	d						
	e						
	f All other program service revenue						
g Total. Add lines 2a-2f		264,024.					
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		1,313,446.			1,313,446.	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross rents	(i) Real	(ii) Personal				
		b Less: rental expenses					
		c Rental income or (loss)					
		d Net rental income or (loss)					
	7 a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		107,527,983.					
		b Less: cost or other basis and sales expenses					
		104,567,750.					
	c Gain or (loss)						
	2,960,233.						
	d Net gain or (loss)			2,960,233.		2,960,233.	
	8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a					
b Less: direct expenses		b					
c Net income or (loss) from fundraising events							
9 a Gross income from gaming activities. See Part IV, line 19	a						
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities						
10 a Gross sales of inventory, less returns and allowances	a						
	b Less: cost of goods sold	b					
	c Net income or (loss) from sales of inventory						
Miscellaneous Revenue		Business Code					
11 a PARTNERSHIP EARNINGS	523000	1,548,827.			1,548,827.		
b FOREIGN EXCHANGE GAIN	523000	581,361.			581,361.		
c							
d All other revenue							
e Total. Add lines 11a-11d		2,130,188.					
12 Total revenue. See instructions.		24,440,632.	264,024.	0.	6,403,867.		

**ASSOCIATION FOR CULTURAL INTERCHANGE,
INC.**

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	20,000.	20,000.		
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16	1,847,590.	1,847,590.		
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	105,000.	83,869.	21,131.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	46,078.	43,774.	2,304.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	9,274.	7,419.	1,855.	
10 Payroll taxes	11,557.	9,246.	2,311.	
11 Fees for services (non-employees):				
a Management				
b Legal	52,786.	51,286.	1,500.	
c Accounting	13,500.		13,500.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	261,761.		261,761.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	92,295.	33,390.	99.	58,806.
12 Advertising and promotion				
13 Office expenses	3,395.		417.	2,978.
14 Information technology	5,609.		5,609.	
15 Royalties				
16 Occupancy	83,032.	42,706.	10,735.	29,591.
17 Travel	18,281.		3,792.	14,489.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	1,381,714.	1,381,714.		
23 Insurance				
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a ASSET IMPAIRMENTS	570,430.	570,430.		
b OTHER	1,535.	828.	580.	127.
c				
d				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	4,523,837.	4,092,252.	325,594.	105,991.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here if following SOP 98-2 (ASC 958-720)

**ASSOCIATION FOR CULTURAL INTERCHANGE,
INC.**

Form 990 (2016)

52-6054124 Page **11**

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year		
Assets	1 Cash - non-interest-bearing	7,191.	1	9,662.		
	2 Savings and temporary cash investments	24,897,054.	2	7,079,767.		
	3 Pledges and grants receivable, net		3			
	4 Accounts receivable, net		4			
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			5		
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L			6		
	7 Notes and loans receivable, net		7			
	8 Inventories for sale or use		8			
	9 Prepaid expenses and deferred charges		9			
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 94,394,742.				
	b Less: accumulated depreciation	10b 28,821,677.	48,365,954.	10c	65,573,065.	
	11 Investments - publicly traded securities	58,149,623.	11	85,140,391.		
	12 Investments - other securities. See Part IV, line 11	7,061,207.	12	9,651,206.		
	13 Investments - program-related. See Part IV, line 11	23,770,486.	13	21,839,678.		
	14 Intangible assets		14			
	15 Other assets. See Part IV, line 11	121,327.	15	133,993.		
16 Total assets. Add lines 1 through 15 (must equal line 34)	162,372,842.	16	189,427,762.			
Liabilities	17 Accounts payable and accrued expenses	2,845,023.	17	3,445,593.		
	18 Grants payable		18			
	19 Deferred revenue		19			
	20 Tax-exempt bond liabilities		20			
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21			
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L			22		
	23 Secured mortgages and notes payable to unrelated third parties		23			
	24 Unsecured notes and loans payable to unrelated third parties		24			
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D			25		
	26 Total liabilities. Add lines 17 through 25	2,845,023.	26	3,445,593.		
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.					
	27 Unrestricted net assets	121,956,934.	27	147,922,908.		
	28 Temporarily restricted net assets	37,570,885.	28	38,059,261.		
	29 Permanently restricted net assets		29			
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.					
	30 Capital stock or trust principal, or current funds		30			
	31 Paid-in or capital surplus, or land, building, or equipment fund		31			
	32 Retained earnings, endowment, accumulated income, or other funds		32			
33 Total net assets or fund balances	159,527,819.	33	185,982,169.			
34 Total liabilities and net assets/fund balances	162,372,842.	34	189,427,762.			

Form **990** (2016)

**ASSOCIATION FOR CULTURAL INTERCHANGE,
INC.**

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	24,440,632.
2	Total expenses (must equal Part IX, column (A), line 25)	2	4,523,837.
3	Revenue less expenses. Subtract line 2 from line 1	3	19,916,795.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	159,527,819.
5	Net unrealized gains (losses) on investments	5	6,537,555.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	185,982,169.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b	Were the organization's financial statements audited by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? _____		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits _____		

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	3096836.	4647482.	44923495.	24266555.	17772741.	94707109.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	3096836.	4647482.	44923495.	24266555.	17772741.	94707109.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						33204916.
6 Public support. Subtract line 5 from line 4.						61502193.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
7 Amounts from line 4	3096836.	4647482.	44923495.	24266555.	17772741.	94707109.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	602,230.	804,551.	776,567.	861,534.	1313446.	4358328.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)	1110903.	1288262.	1293175.	-527,587.	2130188.	5294941.
11 Total support. Add lines 7 through 10						104360378
12 Gross receipts from related activities, etc. (see instructions)					12	1,477,597.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2016 (line 6, column (f) divided by line 11, column (f))	14	58.93 %
15 Public support percentage from 2015 Schedule A, Part II, line 14	15	56.45 %
16a 33 1/3% support test - 2016. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	▶ <input checked="" type="checkbox"/>	
b 33 1/3% support test - 2015. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	▶ <input type="checkbox"/>	
17a 10% -facts-and-circumstances test - 2016. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	▶ <input type="checkbox"/>	
b 10% -facts-and-circumstances test - 2015. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	▶ <input type="checkbox"/>	
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions	▶ <input type="checkbox"/>	

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.

OMB No. 1545-0047

2016

Name of the organization

ASSOCIATION FOR CULTURAL INTERCHANGE,
INC.

Employer identification number

52-6054124

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (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)

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
▶ **Attach to Form 990.**

OMB No. 1545-0047

2016

Open to Public Inspection

▶ **Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.**

Name of the organization ASSOCIATION FOR CULTURAL INTERCHANGE, INC. **Employer identification number** 52-6054124

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
 Preservation of land for public use (e.g., recreation or education) Preservation of a historically important land area
 Protection of natural habitat Preservation of a certified historic structure
 Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1

(ii) Assets included in Form 990, Part X

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenue included on Form 990, Part VIII, line 1

b Assets included in Form 990, Part X

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule D (Form 990) 2016

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) SELECT EQT FUND, LP	2,112.	END-OF-YEAR MARKET VALUE
(B) SELECT EQT INFRASTRUCTURE		
(C) I FUND, LP	452,724.	END-OF-YEAR MARKET VALUE
(D) SELECT EQT INFRASTRUCTURE		
(E) III FUND, LP	220,000.	END-OF-YEAR MARKET VALUE
(F) ZILKHA PARTNERS SPECIAL		
(G) OPPORTUNITIES, LP	5,872,708.	END-OF-YEAR MARKET VALUE
(H) BONDS, CD'S, ADR'S SPDR'S	3,103,662.	END-OF-YEAR MARKET VALUE
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶	9,651,206.	

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) PROGRAM LOANS TO 15		
(2) CHARITABLE ORGANIZATIONS	21,839,678.	COST
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶	21,839,678.	

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

**ASSOCIATION FOR CULTURAL INTERCHANGE,
INC.**

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	30,716,426.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains (losses) on investments	6,537,555.		
b	Donated services and use of facilities			
c	Recoveries of prior year grants			
d	Other (Describe in Part XIII.)			
e	Add lines 2a through 2d		2e	6,537,555.
3	Subtract line 2e from line 1		3	24,178,871.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	261,761.		
b	Other (Describe in Part XIII.)			
c	Add lines 4a and 4b		4c	261,761.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)		5	24,440,632.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1	4,262,076.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities			
b	Prior year adjustments			
c	Other losses			
d	Other (Describe in Part XIII.)			
e	Add lines 2a through 2d		2e	0.
3	Subtract line 2e from line 1		3	4,262,076.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	261,761.		
b	Other (Describe in Part XIII.)			
c	Add lines 4a and 4b		4c	261,761.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)		5	4,523,837.

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART X, LINE 2:

THE MANAGEMENT OF ACI BELIEVES THAT IT HAS APPROPRIATE SUPPORT FOR ANY TAX POSITIONS TAKEN ON ITS RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX (FORM 990) AND, ACCORDINGLY, DOES NOT HAVE ANY UNCERTAIN TAX POSITIONS THAT WOULD AFFECT ITS TAX-EXEMPT STATUS OR BE MATERIAL TO THE FINANCIAL STATEMENTS.

**SCHEDULE F
(Form 990)**

Statement of Activities Outside the United States

OMB No. 1545-0047

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 14b, 15, or 16.

2016

▶ Attach to Form 990.

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Information about Schedule F (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization ASSOCIATION FOR CULTURAL INTERCHANGE, INC.	Employer identification number 52-6054124
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Part I General Information on Activities Outside the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 14b.

1 For grantmakers. Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? **Yes** **No**

2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.

3 Activities per Region. (The following Part I, line 3 table can be duplicated if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in the region	(d) Activities conducted in the region (by type) (such as, fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in the region	(f) Total expenditures for and investments in the region
EAST ASIA AND THE PACIFIC - AUSTRALIA, BRUNEI, BURMA, CAMBODIA,	0	0	OPERATING AND CONSTRUCTION GRANTS	SUPPORT OF EDUCATIONAL, TRAINING AND STUDY CENTERS.	27,050.
EUROPE (INCLUDING ICELAND & GREENLAND) - ALBANIA, ANDORRA, AUSTRIA, BELGIUM	0	0	OPERATING AND CONSTRUCTION GRANTS	SUPPORT OF EDUCATIONAL, TRAINING AND STUDY CENTERS.	180,000.
MIDDLE EAST AND NORTH AFRICA - ALGERIA, BAHRAIN, DJIBOUTI, EGYPT,	0	0	OPERATING AND CONSTRUCTION GRANTS	SUPPORT OF EDUCATIONAL, TRAINING AND STUDY CENTERS.	277,440.
NORTH AMERICA	0	0	OPERATING AND CONSTRUCTION GRANTS	SUPPORT OF EDUCATIONAL, TRAINING AND STUDY CENTERS.	378,500.
SOUTH AMERICA	0	0	OPERATING AND CONSTRUCTION GRANTS	SUPPORT OF EDUCATIONAL, TRAINING AND STUDY CENTERS.	942,000.
SUB-SAHARAN AFRICA	0	0	OPERATING AND CONSTRUCTION GRANTS	SUPPORT OF EDUCATIONAL, TRAINING AND STUDY CENTERS.	42,600.
SOUTH AMERICA - ARGENTINA, BOLIVIA, BRAZIL, CHILE, COLUMBIA, ECUADOR,	0	0	4 PROGRAM LOANS	SUPPORT OF EDUCATIONAL, TRAINING AND STUDY CENTERS.	6,877,335.
SUB-SAHARAN AFRICA - ANGOLA, BENIN, BOTSWANA, BURKINA FASO,	0	0	2 PROGRAM LOANS	SUPPORT OF EDUCATIONAL, TRAINING AND STUDY CENTERS.	4,131,315.
3 a Sub-total	0	0			12,856,240.
b Total from continuation sheets to Part I	1	3			76,100,394.
c Totals (add lines 3a and 3b)	1	3			88,956,634.

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule F (Form 990) 2016

**ASSOCIATION FOR CULTURAL INTERCHANGE,
INC.**

Schedule F (Form 990)

52-6054124 Page 1

Part I Continuation of Activities per Region. (Schedule F (Form 990), Part I, line 3)

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
EAST ASIA AND THE PACIFIC - AUSTRALIA, BRUNEI, BURMA, CAMBODIA,	0	0	4 PROGRAM LOANS	SUPPORT OF EDUCATIONAL, TRAINING AND STUDY CENTERS.	3,908,272.
CENTRAL AMERICA AND THE CARIBBEAN - ANTIGUA & BARBUDA, ARUBA, BAHAMAS,	0	0	1 PROGRAM LOAN	SUPPORT OF EDUCATIONAL, TRAINING AND STUDY CENTERS.	221,532.
EUROPE (INCLUDING ICELAND & GREENLAND) - ALBANIA, ANDORRA, AUSTRIA, BELGIUM	0	0	2 PROGRAM LOANS	SUPPORT OF EDUCATIONAL, TRAINING AND STUDY CENTERS.	6,397,525.
EUROPE (INCLUDING ICELAND & GREENLAND) - ALBANIA, ANDORRA, AUSTRIA, BELGIUM	0	0	UNIVERSITY STUDY CENTER, ROME	PROGRAM-RELATED REAL PROPERTY MADE AVAILABLE RENT-FREE TO EDUCATIONAL NON-PROFIT ORGS	4,164,356.
MIDDLE EAST AND NORTH AFRICA - ALGERIA, BAHRAIN, DJIBOUTI, EGYPT,	1	3	EXISTING EDUCATIONAL CENTERS; DEVELOPING NEW PILGRIMAGE CENTER - JERUSALEM	PROGRAM-RELATED REAL PROPERTY MADE AVAILABLE RENT-FREE TO EDUCATIONAL NON-PROFIT ORGS	61,408,709.
Totals	1	3			76,100,394.

**ASSOCIATION FOR CULTURAL INTERCHANGE,
INC.**

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of noncash assistance	(h) Description of noncash assistance	(i) Method of valuation (book, FMV, appraisal, other)
		SOUTH AMERICA - ARGENTINA, BOLIVIA,	CONSTRUCTION AND ADAPTATION OF EDUCATIONAL FACILITIES	900,000.	WIRE TRANSFER	0.		
		NORTH AMERICA - CANADA AND MEXICO	CONSTRUCTION AND ADAPTATION OF EDUCATIONAL FACILITIES	350,000.	WIRE TRANSFER	0.		
		MIDDLE EAST AND NORTH AFRICA -	SCHOLARSHIPS FOR HIGHER EDUCATION	190,481.	WIRE TRANSFER	0.		
		EUROPE (INCLUDING ICELAND & GREENLAND) -	OPERATIONAL EXPENSES OF TRAINING CENTER	100,000.	WIRE TRANSFER	0.		
		EUROPE (INCLUDING ICELAND & GREENLAND) -	CONSTRUCTION AND ADAPTATION OF EDUCATIONAL FACILITIES	80,000.	WIRE TRANSFER	0.		
		MIDDLE EAST AND NORTH AFRICA -	EDUCATIONAL PROJECTS - ISRAEL	86,959.	WIRE TRANSFER	0.		
		SOUTH AMERICA - ARGENTINA, BOLIVIA,	CONSTRUCTION AND ADAPTATION OF COMMUNITY CENTER	42,000.	WIRE TRANSFER	0.		
		SUB-SAHARAN AFRICA	SCHOLARSHIPS FOR HIGH SCHOOL AND HIGHER EDUCATION	28,000.	WIRE TRANSFER	0.		

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter ▶ _____

3 Enter total number of other organizations or entities ▶ _____

**ASSOCIATION FOR CULTURAL INTERCHANGE,
INC.**

Schedule F (Form 990)

52-6054124

Page 2

Part II Continuation of Grants and Other Assistance to Organizations or Entities Outside the United States. (Schedule F (Form 990), Part II, line 1)								
1 (a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
		EAST ASIA AND THE PACIFIC -	CONSTRUCTION AND ADAPTATION OF EDUCATIONAL FACILITIES	26,000.	WIRE TRANSFER	0.		
		NORTH AMERICA - CANADA AND MEXICO	CONSTRUCTION AND ADAPTATION OF EDUCATIONAL FACILITIES	18,500.	WIRE TRANSFER	0.		
		SUB-SAHARAN AFRICA	SCHOLARSHIPS FOR TRAINING CENTER	14,600.	WIRE TRANSFER	0.		
		NORTH AMERICA - CANADA AND MEXICO	SCHOLARSHIPS FOR HIGH SCHOOL STUDENTS	10,000.	WIRE TRANSFER	0.		
		EAST ASIA AND THE PACIFIC -	DEBT SERVICE ASSISTANCE	1,050.	WIRE TRANSFER	0.		

ASSOCIATION FOR CULTURAL INTERCHANGE,
INC.

Part IV Foreign Forms

- 1 Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* Yes No

- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to separately file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A; do not file with Form 990)* Yes No

- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations (see Instructions for Form 5471)* Yes No

- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund (see Instructions for Form 8621)* Yes No

- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships (see Instructions for Form 8865)* Yes No

- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to separately file Form 5713, International Boycott Report (see Instructions for Form 5713; do not file with Form 990)* Yes No

Part V Supplemental Information

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information. See instructions.

PART I, LINE 2:

THE FOLLOWING PROVISIONS ARE INCLUDED IN ALL GRANT AND LOAN AGREEMENTS:

RECORD KEEPING: THE GRANTEE AGREES TO MAINTAIN ITS BOOKS AND RECORDS IN A MANNER WHICH SATISFIES SEC. 53.4945-5(C)(3) OF THE INTERNAL REVENUE CODE AND IN SUCH A WAY THAT FUNDS FROM ACI WILL BE SHOWN SEPARATELY ON THE GRANTEE'S BOOKS. EXPENDITURES MADE BY THE GRANTEE IN FURTHERANCE OF THE PURPOSES SPECIFIED IN THE GRANT AGREEMENT MUST BE CHARGED AGAINST THE GRANT. THE GRANTEE WILL MAINTAIN RECORDS OF SUCH EXPENDITURES ADEQUATE TO IDENTIFY THE USE OF THE FUNDS FOR THE SPECIFIED PURPOSES.

REPORTS TO ACI: WITH RESPECT TO THE PRINCIPAL AMOUNT OF THE GRANT IN ITS ENTIRETY, THE GRANTEE SHALL SUPPLY ACI WITH A REPORT OR REPORTS SHOWING (A) THE USE OF THE GRANT FUNDS BASED UPON THE RECORDS OF THE GRANTEE, DETAILING ALL EXPENDITURES MADE FROM SUCH FUNDS (INCLUDING SALARIES, EQUIPMENT, SUPPLIES, TRAVEL, ETC.) AND (B) THE PROGRESS MADE BY THE GRANTEE TOWARD ACHIEVING THE PURPOSES FOR WHICH THE GRANT WAS MADE. SUCH A REPORT SHALL BE MADE FOR THE FIRST FISCAL YEAR OF THE GRANTEE IN WHICH ANY AMOUNT OF THE GRANT WAS PAID TO THE GRANTEE. IF THE GRANT IS NOT FULLY EXPENDED BY THE GRANTEE WITHIN SUCH FIRST FISCAL YEAR, SUCH A REPORT SHALL BE MADE FOR EACH FISCAL YEAR THEREAFTER UNTIL COMPLETION OF THE USE OF THE GRANT FUNDS, OR UNTIL ACI ADVISES THE GRANTEE, IN WRITING, THAT SUCH REPORTS WILL NO LONGER BE REQUIRED. A FINAL REPORT ON ALL EXPENDITURES FROM THE GRANT FUNDS WILL ALSO BE MADE. EACH REPORT REQUIRED TO BE MADE HEREUNDER SHALL BE MADE TO ACI WITHIN SIXTY (60) DAYS AFTER THE CLOSE OF EACH FISCAL YEAR.

Part V Supplemental Information

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information. See instructions.

AVAILABILITY OF GRANTEE'S RECORDS: THE GRANTEE WILL MAINTAIN ITS RECORDS OF EXPENDITURES FROM THE GRANT, AS WELL AS COPIES OF THE REPORTS SUBMITTED BY IT TO ACI WITH RESPECT TO SUCH GRANT, FOR AT LEAST FOUR (4) YEARS AFTER COMPLETION OF THE USE OF THE GRANT FUNDS. IT WILL MAKE BOOKS AND RECORDS AVAILABLE TO ACI AT REASONABLE TIMES DURING SUCH PERIOD.

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**
Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.

▶ **Attach to Form 990.**

▶ **Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.**

OMB No. 1545-0047

2016

**Open to Public
Inspection**

Name of the organization **ASSOCIATION FOR CULTURAL INTERCHANGE,
INC.**

**Employer identification number
52-6054124**

Part I General Information on Grants and Assistance

- 1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? **Yes** **No**
- 2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
SOUTH BRONX EDUCATIONAL FOUNDATION 843 CORONA PARK NORTH BRONX, NY 10460	13-3503819	501(C)(3)	10,000.	0.			GRANT FOR ROSEDALE PROGRAM
YOUTH LEADERSHIP FOUNDATION 7315 WISCONSIN AV BETHESDA, MD 20814	52-2016259	501(C)(3)	10,000.	0.			GRANT FOR TENLEY ACHIEVEMENT PROGRAM

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table **2.**

3 Enter total number of other organizations listed in the line 1 table **0.**

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2016)

**ASSOCIATION FOR CULTURAL INTERCHANGE,
INC.**

Part III Grants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance

Part IV Supplemental Information. Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2016

Open To Public Inspection

Department of the Treasury
Internal Revenue Service

- ▶ Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
- ▶ Attach to Form 990.
- ▶ Information about Schedule M (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization **ASSOCIATION FOR CULTURAL INTERCHANGE, INC.** Employer identification number **52-6054124**

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded	X	1	84,052.	FAIR VALUE
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ()				
26 Other ()				
27 Other ()				
28 Other ()				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement **29** **0**

	Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it must hold for at least three years from the date of the initial contribution, and which isn't required to be used for exempt purposes for the entire holding period?		X
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any nonstandard contributions?	X	
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?		X
b If "Yes," describe in Part II.		
33 If the organization didn't report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.		

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule M (Form 990) (2016)

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2016

Open to Public
Inspection

Name of the organization

ASSOCIATION FOR CULTURAL INTERCHANGE,
INC.

Employer identification number
52-6054124

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

ACI PROVIDES A PROGRAM OF SUPPORT AND ASSISTANCE TO OTHER
NOT-FOR-PROFIT ORGANIZATIONS AND EDUCATIONAL AND VOCATIONAL TRAINING
INSTITUTIONS FROM ELEMENTARY LEVEL THROUGH GRADUATE STUDIES. ACI
EMPHASIZES THE PROMOTION OF INTERNATIONAL UNDERSTANDING AND THE
INTERCHANGE OF IDEAS AND CULTURAL ACTIVITIES AMONG PEOPLE OF DIFFERENT
NATIONS. ACI'S PROGRAM IS CARRIED OUT IN THE UNITED STATES AND FOREIGN
COUNTRIES.

ACI ACHIEVES THIS BY PROVIDING GRANTS AND PROGRAM LOANS, AS WELL AS THE
USE OF PHYSICAL FACILITIES, TO ORGANIZATIONS IN THE UNITED STATES AND
OTHER COUNTRIES THAT OPERATE IN FURTHERANCE OF ACI'S MISSION. ACI ALSO
OWNS AND OPERATES THE SAXUM CENTER ("SAXUM") IN ABU GOSH, ISRAEL.
SAXUM CONSISTS OF A CONFERENCE CENTER WHICH OPERATES WORKSHOPS,
CONFERENCES AND SPIRITUAL RETREATS; AND A VISITOR CENTER PROVIDING
ORIENTATION AND INFORMATION RESOURCES FOR INDIVIDUALS AND GROUPS
VISITING THE HOLY LAND.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

INTERCHANGE OF IDEAS AND CULTURAL ACTIVITIES AMONG PEOPLE OF DIFFERENT
NATIONS. ACI'S PROGRAM IS CARRIED OUT IN THE UNITED STATES AND FOREIGN
COUNTRIES. ACI ACHIEVES THIS BY PROVIDING GRANTS AND LOANS THAT ARE
INTEREST-FREE OR BEAR BELOW-MARKET INTEREST RATES TO ORGANIZATIONS THAT
FOSTER AND FACILITATE CHARITABLE AND EDUCATIONAL PROGRAMS. ACI ALSO
OWNS AND MAINTAINS REAL PROPERTY FACILITIES IN ITALY AND ISRAEL. THOSE

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule O (Form 990 or 990-EZ) (2016)

632211 08-25-16

Name of the organization ASSOCIATION FOR CULTURAL INTERCHANGE, INC.	Employer identification number 52-6054124
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FACILITIES ARE MADE AVAILABLE RENT-FREE TO EDUCATIONAL AND CULTURAL INSTITUTIONS OPERATED BY NOT-FOR-PROFIT ORGANIZATIONS.

**FORM 990, PART VI, SECTION B, LINE 11B:
THE FORM 990 IS CIRCULATED TO BOARD MEMBERS FOR REVIEW AND COMMENT BEFORE FILING.**

**FORM 990, PART VI, SECTION B, LINE 12C:
TWO OFFICERS AND AN INDEPENDENT DIRECTOR REVIEW TRANSACTIONS IN DETAIL ON A MONTHLY BASIS TO MONITOR FOR POTENTIAL CONFLICTS OF INTEREST.**

**FORM 990, PART VI, SECTION B, LINE 15:
THE BOARD REVIEWS COMPENSATION OF ALL EMPLOYEES ANNUALLY AND DOCUMENTS COMPENSATION IN THE MINUTES. COMPARABILITY DATA INCLUDES INFORMATION FROM PUBLICLY-AVAILABLE FORM 990 FILINGS OF SIMILAR ORGANIZATIONS AND OTHER PUBLICLY AVAILABLE SOURCES.**

**FORM 990, PART VI, SECTION C, LINE 19:
THE ORGANIZATION MAKES DOCUMENTS PUBLIC IN THE MANNER PRESCRIBED BY THE INTERNAL REVENUE CODE AND STATE CHARITIES LAWS.**

**FORM 990, PART XII, LINE 2C:
FORM 990, PART XI, LINE 2C: THE BOARD APPROVES SELECTION OF AUDITORS AND REVIEWS THE AUDIT REPORT.**

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990.

▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2016

Open to Public Inspection

Name of the organization **ASSOCIATION FOR CULTURAL INTERCHANGE, INC.** Employer identification number **52-6054124**

Part I Identification of Disregarded Entities. Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
SAXUM LTD (CC) - 98-0608393 6 HILLEL STREET JERUSALEM, ISRAEL 94581	EDUCATIONAL-DEVELOP A CONFERENCE CENTER FOR CULTURAL INTERCHANGE	ISRAEL	15,444,412.	49,146,281.	NONE

Part II Identification of Related Tax-Exempt Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No

Part VII Supplemental Information.

Provide additional information for responses to questions on Schedule R. See instructions.

PART I, IDENTIFICATION OF DISREGARDED ENTITIES:

NAME, ADDRESS, AND EIN OF DISREGARDED ENTITY:

SAXUM LTD (CC)

EIN: 98-0608393

6 HILLEL STREET

JERUSALEM, ISRAEL 94581

PRIMARY ACTIVITY: EDUCATIONAL-DEVELOP A CONFERENCE CENTER FOR CULTURAL
INTERCHANGE PURPOSES

DIRECT CONTROLLING ENTITY: NONE

Information Return of U.S. Persons With Respect To Foreign Disregarded Entities

OMB No. 1545-1910

▶ Information about Form 8858 and its separate instructions is at www.irs.gov/form8858.

Information furnished for the foreign disregarded entity's annual accounting period (see instructions)
 beginning **JAN 1**, 20**16**, and ending **DEC 31**, 20**16**

Attachment
 Sequence No. **140**

Name of person filing this return ASSOCIATION FOR CULTURAL INTERCHANGE, INC.	Filer's identifying number 52-6054124
--	---

Number, street, and room or suite no. (or P.O. box number if mail is not delivered to street address)
420 LEXINGTON AVENUE, NO. 300

City or town, state, and ZIP code
NEW YORK, NY 10170

Filer's tax year beginning **JAN 1**, 20**16**, and ending **DEC 31**, 20**16**

Important: Fill in all applicable lines and schedules. All information **must** be in English. All amounts **must** be stated in U.S. dollars unless otherwise indicated.

1a Name and address of foreign disregarded entity SAXUM LTD (CC) 6 HILLEL STREET JERUSALEM ISRAEL 94581		b(1) U.S. identifying number, if any 98-0608393	b(2) Reference ID number (see instructions)
c Country(ies) under whose laws organized and entity type under local tax law ISRAEL CHARITABLE COMPANY		d Date(s) of organization 03 29 06	e Effective date as foreign disregarded entity 01/01/09
f If benefits under a U.S. tax treaty were claimed with respect to income of the foreign disregarded entity, enter the treaty and article number	g Country in which principal business activity is conducted ISRAEL	h Principal business activity EDUCATIONAL FACILITY	i Functional currency ISRAEL, SHEQEL

2 Provide the following information for the foreign disregarded entity's accounting period stated above.

a Name, address, and identifying number of branch office or agent (if any) in the United States	b Name and address (including corporate department, if applicable) of person(s) with custody of the books and records of the foreign disregarded entity, and the location of such books and records, if different CHEN MORDECHAI, CPA SHOHAM FIN. ADV. EMEK HACHULA 32 MODI'IN ISRAEL 7177322
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3 For the **tax owner** of the foreign disregarded entity (if different from the filer) provide the following:

a Name and address	b Annual accounting period covered by the return (see instructions)
	c(1) U.S. identifying number, if any
	c(2) Reference ID number (see instructions)
	d Country under whose laws organized
	e Functional currency

4 For the **direct owner** of the foreign disregarded entity (if different from the tax owner) provide the following:

a Name and address	b Country under whose laws organized
	c U.S. identifying number, if any
	d Functional currency

5 Attach an organizational chart that identifies the name, placement, percentage of ownership, tax classification, and country of organization of all entities in the chain of ownership between the tax owner and the foreign disregarded entity, and the chain of ownership between the foreign disregarded entity and each entity in which the foreign disregarded entity has a 10% or more direct or indirect interest. See instructions.

Schedule C Income Statement (see instructions)

Important: Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules or the average exchange rate determined under section 989(b)). If the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for foreign disregarded entities that use DASTM.

If you are using the average exchange rate (determined under section 989(b)), check the following box

	Functional Currency	U.S. Dollars
1 Gross receipts or sales (net of returns and allowances)	1	
2 Cost of goods sold	2	
3 Gross profit (subtract line 2 from line 1)	3	
4 Other income	4	55,001,488.
5 Total income (add lines 3 and 4)	5	15,444,412.
6 Total deductions	6	55,001,488.
7 Other adjustments	7	1,120.
8 Net income (loss) per books	8	287.
		55,000,368.
		15,444,125.

Schedule C-1 Section 987 Gain or Loss Information

Note. See the instructions if there are multiple recipients of remittances from the foreign disregarded entity.

	(a) Amount stated in functional currency of foreign disregarded entity	(b) Amount stated in functional currency of recipient
1 Remittances from the foreign disregarded entity	1	
2 Section 987 gain (loss) of recipient	2	
3 Were all remittances from the foreign disregarded entity treated as made to the direct owner?		Yes No
4 Did the tax owner change its method of accounting for section 987 gain or loss with respect to remittances from the foreign disregarded entity during the tax year?		

Schedule F Balance Sheet

Important: Report all amounts in U.S. dollars computed in functional currency and translated into U.S. dollars in accordance with U.S. GAAP. See instructions for an exception for foreign disregarded entities that use DASTM.

Assets	(a) Beginning of annual accounting period	(b) End of annual accounting period
1 Cash and other current assets	1	3,415,283.
2 Other assets	2	1,497,112.
3 Total assets	3	29,570,964.
		47,649,169.
		32,986,247.
		49,146,281.
Liabilities and Owner's Equity		
4 Liabilities	4	30,196,496.
5 Owner's equity	5	3,246,428.
6 Total liabilities and owner's equity	6	2,789,751.
		45,899,853.
		32,986,247.
		49,146,281.

Schedule G Other Information

	Yes	No
1 During the tax year, did the foreign disregarded entity own an interest in any trust?		
2 During the tax year, did the foreign disregarded entity own at least a 10% interest, directly or indirectly, in any foreign partnership?		
3 Answer the following question only if the foreign disregarded entity made its election to be treated as disregarded from its owner during the tax year: Did the tax owner claim a loss with respect to stock or debt of the foreign disregarded entity as a result of the election?		
4 If the interest in the foreign disregarded entity is a separate unit under Reg. 1.1503(d)-1(b)(4) or part of a combined separate unit under reg. 1.1503(d)-1(b)(4)(ii) does the separate unit or combined separate unit have a dual consolidated loss as defined in Reg. 1.1503(d)-1(b)(5)(ii)?		N/A
If "Yes," enter the amount of the dual consolidated loss ► \$		Answer question 5a.

Schedule G	Other Information (continued)	Yes	No
5a	Was any portion of the dual consolidated loss in question 4 taken into account in computing consolidated taxable income for the year? If "Yes," go to 5b. If "No," skip 5b and 5c		
b	Was this permitted domestic use of the dual consolidated loss under Reg. 1.1503(d)-6? If "Yes," see instructions and skip 5c. If "No," go to 5c		
c	If this was not a permitted domestic use, was the dual consolidated loss used to compute consolidated taxable income as provided under Reg. 1.503(d)-4?		
	If "Yes," enter the separate unit's contribution to the cumulative consolidated taxable income ("cumulative register") as of the beginning of the tax year ► \$ _____ See Instructions.		
6	During the tax year, did the foreign disregarded entity pay or accrue any foreign tax that was disqualified for credit under section 901(m)?		
7	During the tax year, did the foreign disregarded entity pay or accrue foreign taxes to which section 909 applies, or treat foreign taxes that were previously suspended under section 909 as no longer suspended?		
8	Answer the following question only if the tax owner of the foreign disregarded entity is a controlled foreign corporation (CFC): Were there any intracompany transactions between the foreign disregarded entity and the CFC or any other branch of the CFC during the tax year, in which the foreign disregarded entity acted as a manufacturing, selling, or purchasing branch?		

Schedule H **Current Earnings and Profits or Taxable Income** (see instructions)

Important: Enter the amounts on lines 1 through 6 in functional currency.

1	Current year net income or (loss) per foreign books of account	1	
2	Total net additions	2	
3	Total net subtractions	3	
4	Current earnings and profits (or taxable income -- see instructions) (line 1 plus line 2 minus line 3)	4	
5	DASTM gain or loss (if applicable)	5	
6	Combine lines 4 and 5	6	
7	Current earnings and profits (or taxable income) in U.S. dollars (line 6 translated at the average exchange rate determined under section 989(b) and the related regulations (see instructions))	7	
	Enter exchange rate used for line 7 ►		