42608

Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0052

2008

For calendar year 2008, or tax year beginning , and ending

G Check all that apply: [ ] Initial return [ ] Final return [X] Amended return [ ] Address change [ ] Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.

Name of foundation: LINDA PACE FOUNDATION

Number and street (or P O box number if mail is not delivered to street address): P.O. BOX 830607 | Room/suite:

City or town, state, and ZIP code: SAN ANTONIO TX 78283

A Employer identification number 04-3757853

B Telephone number (see page 10 of the instructions) 210-226-6663

C If exemption application is pending, check here ▶ [ ]

D 1. Foreign organizations, check here ▶ [ ]

2. Foreign organizations meeting the 85% test, check here and attach computation ▶ [ ]

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ [ ]

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ [ ]

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ $ 52,840,604

J Accounting method: [X] Cash [ ] Accrual [ ] Other (specify) (Part I, column (d) must be on cash basis)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see pg 11 of the instructions))

	Line	Description	(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)	5,685,261			
	2	Check ▶ [ ] if the foundation is **not** required to attach Sch. B				
	3	Interest on savings and temporary cash investments	1,199	1,199		
	4	Dividends and interest from securities	521,915	521,915		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	-6,260,638			
	b	Gross sales price for all assets on line 6a 19,989,592				
	7	Capital gain net income (from Part IV, line 2)		0		
	8	Net short-term capital gain			0	
	9	Income modifications				
	10a	Gross sales less returns & allowances				
	b	Less. Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule) STMT 1	-128,621		-128,621	
	12	**Total.** Add lines 1 through 11	-180,884	523,114	-128,621	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	260,250	65,063		195,187
	14	Other employee salaries and wages	146,624	22,612		124,011
	15	Pension plans, employee benefits	40,521	7,528		29,996
	16a	Legal fees (attach schedule) SEE STMT 2	5,261	526		4,735
	b	Accounting fees (attach schedule) STMT 3	8,790	879		7,911
	c	Other professional fees (attach schedule) STMT 4	304,809	304,809		
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions) STMT 5	105,248	20,737		26,471
	19	Depreciation (attach schedule) and depletion STMT 6	84,021			
	20	Occupancy				
	21	Travel, conferences, and meetings	40,283			40,283
	22	Printing and publications	4,682			4,682
	23	Other expenses (att. sch) STMT 7	238,131	19,723		218,408
	24	**Total operating and administrative expenses.** Add lines 13 through 23	1,238,620	441,877		651,684
	25	Contributions, gifts, grants paid	1,047,000			1,047,000
	26	**Total expenses and disbursements.** Add lines 24 and 25	2,285,620	441,877	0	1,698,684
	27	Subtract line 26 from line 12.				
	a	**Excess of revenue over expenses & disbursements**	-2,466,504			
	b	**Net investment income** (if negative, enter -0-)		81,237		
	c	**Adjusted net income** (if negative, enter -0-)			0	

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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 (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1	Cash—non-interest-bearing	301,987	308,530	308,530
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶ 20,000			
		Less: allowance for doubtful accounts ▶		20,000	20,000
	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 page 15 of the instructions)			
	7	Other notes and loans receivable (att schedule) ▶			
		Less. allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges	63,500	21,750	21,750
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule) SEE STMT 8	40,781,743	37,536,409	29,297,038
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach sch) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule) SEE STATEMENT 9	19,885,975	20,413,666	20,413,666
	14	Land, buildings, and equipment basis ▶ 2,988,139			
		Less accumulated depreciation (attach sch) ▶ STMT 10 208,574	2,500,762	2,779,565	2,779,565
	15	Other assets (describe ▶ SEE STATEMENT 11)	510	55	55
	16	**Total assets** (to be completed by all filers—see the instructions. Also, see page 1, item I)	63,534,477	61,079,975	52,840,604
Liabilities	17	Accounts payable and accrued expenses		731	
	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	731	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ [X] and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted	63,534,477	61,079,244	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ [ ] and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see page 17 of the instructions)	63,534,477	61,079,244	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	63,534,477	61,079,975	

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	63,534,477
2	Enter amount from Part I, line 27a	2	-2,466,504
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 12	3	11,271
4	Add lines 1, 2, and 3	4	61,079,244
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	61,079,244

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	PUBLICLY TRADED SECURITIES			
b	PUBLICLY TRADED SECURITIES			
c	PUBLICLY TRADED SECURITIES			
d	GOLDMAN SACHS-ALETHIA			
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	15,528,628		17,962,000	-2,433,372
b	4,460,926		8,288,222	-3,827,296
c			8	-8
d	38			38
e				

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				-2,433,372
b				-3,827,296
c				-8
d				38
e				

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7; If (loss), enter -0- in Part I, line 7 } **2** -6,260,638

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 pages 13 and 17 of the 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 page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2007	1,293,618	41,970,154	0.030822
2006	2,522,065	14,161	178.099357
2005	1,260,591	15,058	83.715699
2004	56,689	8,081	7.015097
2003	211,619		

2 Total of line 1, column (d)	2	268.860975
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	67.215244
4 Enter the net value of noncharitable-use assets for 2008 from Part X, line 5	4	37,983,014
5 Multiply line 4 by line 3	5	2553037554
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	812
7 Add lines 5 and 6	7	2553038366
8 Enter qualifying distributions from Part XII, line 4	8	2,304,013

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 on page 18.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 Date of ruling letter: **(attach copy of ruling letter if necessary—see instructions)**		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b	1	1,625
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0
3	Add lines 1 and 2	3	1,625
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-	5	1,625
6	Credits/Payments.		
a	2008 estimated tax payments and 2007 overpayment credited to 2008 — 6a		
b	Exempt foreign organizations—tax withheld at source — 6b		
c	Tax paid with application for extension of time to file (Form 8868) — 6c		
d	Backup withholding erroneously withheld — 6d		
7	Total credits and payments. Add lines 6a through 6d SEE STATEMENT 13 1,768	7	1,768
8	Enter any **penalty** for underpayment of estimated tax. Check here ☒ if Form 2220 is attached	8	62
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	81
11	Enter the amount of line 10 to be: **Credited to 2009 estimated tax** ▶ 0 **Refunded** ▶	11	81

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		X
	If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ______ **(2)** On foundation managers ▶ $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ ______			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ TX			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2008 or the taxable year beginning in 2008 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses STMT 14	10	X	

Part VII-A Statements Regarding Activities (continued)

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ RICK R. MOORE, PRESIDENT Telephone no. ▶ 210-226-6663
112 W. RISCHE
Located at ▶ SAN ANTONIO, TX ZIP+4 ▶ 78204

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year ▶ | 15 |

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

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

				Yes	No
1a	During the year did the foundation (either directly or indirectly):				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☒ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? **(Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?		1b		X
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2008?	N/A	1c		
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 2008, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2008? If "Yes," list the years ▶ 20 , 20 , 20 , 20	☐ Yes ☒ No			
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 page 20 of the instructions.)	N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 20 , 20 , 20 , 20				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2008 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 2008.)	N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2008?		4b		X

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 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the 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 page 22 of the instructions)? N/A **5b**

Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

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

If "Yes," attach the statement required by Regulations section 53 4945-5(d)

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** No: X

If you answered "Yes" to 6b, also file Form 8870

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

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? N/A **7b**

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

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 15				

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than $50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
QUITA E. HILL SAN ANTONIO 6530 WAGNER WAY TX 78256	40	52,364	4,820	0

Total number of other employees paid over $50,000 ▶ 0

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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 page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
GOLDMAN SACHS & CO. NEW YORK 85 BROAD STREET NY 10004	INVESTMENT ADV	276,841

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 SEE STATEMENT 16	1,698,684
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See page 24 of the instructions 3	
Total. Add lines 1 through 3 ▶	

DAA

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the 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	37,697,063
b	Average of monthly cash balances	1b	264,998
c	Fair market value of all other assets (see page 24 of the instructions)	1c	599,375
d	**Total** (add lines 1a, b, and c)	1d	38,561,436
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	38,561,436
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	578,422
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	37,983,014
6	**Minimum investment return.** Enter 5% of line 5	6	1,899,151

Part XI Distributable Amount (see page 25 of the 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	1,899,151
2a	Tax on investment income for 2008 from Part VI, line 5 — 2a: 1,625		
b	Income tax for 2008. (This does not include the tax from Part VI.) — 2b:		
c	Add lines 2a and 2b	2c	1,625
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,897,526
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	1,897,526
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	1,897,526

Part XII Qualifying Distributions (see page 25 of the 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	1,698,684
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	605,329
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	2,304,013
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 page 26 of the instructions)	5	0
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	2,304,013

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 page 26 of the instructions)

		(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7					1,897,526
2 Undistributed income, if any, as of the end of 2007:					
a Enter amount for 2007 only					
b Total for prior years: 20 ____ , 20 ____ , 20 ____					
3 Excess distributions carryover, if any, to 2008					
a From 2003					
b From 2004					
c From 2005					
d From 2006					
e From 2007					
f **Total** of lines 3a through e					
4 Qualifying distributions for 2008 from Part XII, line 4: ▶ $ 2,304,013					
a Applied to 2007, but not more than line 2a					
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)					
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)					
d Applied to 2008 distributable amount					1,897,526
e Remaining amount distributed out of corpus		406,487			
5 Excess distributions carryover applied to 2008 (If an amount appears in column (d), the same amount must be shown in column (a).)					
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		406,487			
b Prior years' undistributed income. Subtract line 4b from line 2b					
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					
d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions					
e Undistributed income for 2007 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions					
f Undistributed income for 2008 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2009					0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)					
8 Excess distributions carryover from 2003 not applied on line 5 or line 7 (see page 27 of the instructions)					
9 **Excess distributions carryover to 2009.** Subtract lines 7 and 8 from line 6a		406,487			
10 Analysis of line 9.					
a Excess from 2004					
b Excess from 2005					
c Excess from 2006					
d Excess from 2007					
e Excess from 2008	406,487				

Part XIV Private Operating Foundations (see page 27 of the 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 2008, enter the date of the ruling ▶

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

	Tax year (a) 2008	Prior 3 years (b) 2007	(c) 2006	(d) 2005	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter: (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter: (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year—see page 27 of the 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))

LINDA M. PACE (DECEASED) $2,706,630

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

N/A

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 page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

N/A

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

N/A

c Any submission deadlines:

N/A

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

N/A

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
ARTPACE INC DBA ARTPACE S 445 N. MAIN AVENUE SAN ANTONIO TX 78205	NONE	PUB CHARITY	GENERAL OPERATING	1,030,000
CONTEMPORARY ART OF SA 116 BLUE STAR SAN ANTONIO TX 78204	NONE	PUB CHARITY	GENERAL OPERATING	5,000
NEW MUSEUM OF CONT ART 235 BOWERY NEW YORK NY 10002	NONE	PUB CHARITY	GENERAL OPERATING	10,000
MUSEUM OF CONT ART DENVER 1485 DELGANY DENVER CO 80202	NONE	PUB CHARITY	GENERAL OPERATING	1,000
MCNAY ART MUSEUM 6000 NORTH NEW BRAUNFELS SAN ANTONIO TX 78209	NONE	PUB CHARITY	GENERAL OPERATING	1,000
Total			▶ 3a	1,047,000
b Approved for future payment N/A				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	1,199	
4 Dividends and interest from securities			14	521,915	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	-6,260,638	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue: a					
b SEE STATEMENT 17		-202,388		73,767	
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		-202,388		-5,663,757	0

13 **Total.** Add line 12, columns (b), (d), and (e) 13 -5,866,145

(See worksheet in line 13 instructions on page 28 to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See page 28 of the instructions.)
N/A	

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Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

		Yes	No
1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a Transfers from the reporting foundation to a noncharitable exempt organization of			
(1) Cash	1a(1)		X
(2) Other assets	1a(2)		X
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
(3) Rental of facilities, equipment, or other assets	1b(3)		X
(4) Reimbursement arrangements	1b(4)		X
(5) Loans or loan guarantees	1b(5)		X
(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

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

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

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here

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

Lana Barbo Russell | March 3, 2010 | trustee

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

Preparer's signature	Date 2/16/10	Check if self-employed ☒	Preparer's identifying number (see Signature on page 30 of the instructions) P00079891
Firm's name (or yours if self-employed), address, and ZIP code	WAYNE E. COLLIE, C.P.A. 20742 STONE OAK PARKWAY, SUITE 107 SAN ANTONIO, TX 78258-7478	EIN ▶ 74-6256833	Phone no 210-828-1505

DAA

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

Schedule of Contributors

▶ **Attach to Form 990, 990-EZ, and 990-PF.**

OMB No 1545-0047

2008

Name of the organization

LINDA PACE FOUNDATION

Employer identification number

04-3757853

Organization type (check one):

Filers of:	**Section:**
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

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

General Rule

☒ For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor. Complete Parts I and II

Special Rules

☐ For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on Form 990, Part VIII, line 1h or 2% of the amount on Form 990-EZ, line 1. Complete Parts I and II.

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

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not aggregate to 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. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc , contributions of $5,000 or more during the year) ▶ $

Caution. Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** answer "No" on Part IV, line 2 of their Form 990, or check the box in the heading of their Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization LINDA PACE FOUNDATION

Employer identification number 04-3757853

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	LINDA PACE ESTATE PO BOX 830607 SAN ANTONIO TX 78283	$ 4,625,127	Person [X] Payroll [ ] Noncash [X] (Complete Part II if there is a noncash contribution.)
2	PACE 2005 CHARITABLE LEAD ANNUITY TR PO BOX 830607 SAN ANTONIO TX 78283	$ 1,050,000	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
3	ART MATTERS PO BOX 311 PRINCE STREET STATION NEW YORK NY 10012	$ 5,000	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)

Name of organization	Employer identification number
LINDA PACE FOUNDATION	04-3757853

Part II Noncash Property (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	ADAMS STREET PARTNERSHIPS	$ 1,542,191	1/01/08

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	130 SCHREINER PLACE	$ 67,883	1/01/08

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	BRINSON PARTNERSHIP FUNDS	$ 1,501,103	1/01/08

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	OFFICE EQUIPMENT	$ 13,950	1/01/08

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

42608

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No 1545-0172

2008

Attachment Sequence No **67**

Name(s) shown on return: LINDA PACE FOUNDATION

Identifying number: 04-3757853

Business or activity to which this form relates: INDIRECT DEPRECIATION

Part I Election To Expense Certain Property Under Section 179
Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount See the instructions for a higher limit for certain businesses	1	250,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	800,000
4	Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
6			

7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2007 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2009 Add lines 9 and 10, less line 12 ▶	13	

Note: Do not use Part II or Part III below for listed property Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	84,021

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2008	17	0
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B—Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only–see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
			27 5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

(a) Classification of property	(b)	(c)	(d)	(e)	(f)	(g)
20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instr.	22	84,021
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

THERE ARE NO AMOUNTS FOR PAGE 2

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
WEDDING FEES	$ 150	$	$ 150
ADAMS STREET PARTNERSHIP	-427		-427
ADMAS STREET PARTNERSHIP	15,214		15,214
ADAMS STREET PARTNERSHIP	-2,754		-2,754
ADAMS STREET PARTNERSHIP	-1,489		-1,489
BRINSON PARTNERSHIP FUND 1996	-632		-632
BRINSON PARTNERSHIP FUND 1996	-7,079		-7,079
BRINSON PARTNERSHIP FUND 1997	-57		-57
BRINSON PARTNERSHIP FUND 1997	13,406		13,406
BRINSON PARTNERSHIP FUND 1998	-221		-221
BRINSON PARTNERSHIP FUND 1998	-425		-425
BRINSON PARTNERSHIP FUND 1998	50,176		50,176
BRINSON PARTNERSHIP FUND 1999	201		201
BRINSON PARTNERSHIP FUND 1999	504		504
BRINSON PARTNERSHIP FUND 2000	-59		-59
BRINSON PARTNERSHIP FUND 2000	3,280		3,280
BROOKFIELD INFRASTRUCTURE PAR	3		3
BUCKEYE GP HOLDINGS	-4,020		-4,020
BUCKEYE PARTENRS LP UNITS	-13,511		-13,511
CALUMET SPECIALTY PRODUCT PTR	-4,129		-4,129
CALUMET SPECIALTY PRODUCT PRT	-24		-24
COPANO ENERGY LLC	-12,495		-12,495
COPANO ENERGY LLC	32		32
CROSSTEX ENERGY LP	-34,160		-34,160
CROSSTEX ENERGY LP	7,696		7,696
ENBRIDGE ENERGY PARTNERS LP	-11,106		-11,106
ENBRIDGE ENERGY PARTNERS LP	-144		-144
ENERGY TRANSFER PARTNERS	-5,368		-5,368
ENERGY TRANSFER PARTNERS	342		342
ENTERPRISE GP HOLDINGS	-8,194		-8,194
ENTERPRISE GP HOLDINGS	-25		-25
ENTERPRISE PRODUCTS PARTNERS	-22,181		-22,181
ENTERPRISE PRODUCTS PARTNERS	-92		-92
GS MEZZANINE PARTNERS III LP	-43,865		-43,865
GS MEZZANINE PARTNERS III LP	14,692		14,692
GS MOUNT KELLETT CAPITAL PART	-7,756		-7,756
HOLLY ENERGY PARTNERS	-5,507		-5,507

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 11 - Other Income (continued)

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
HOLLY ENERGY PARTNERS	$ 7	$	$ 7
ICAHAN ENTERPRISES LP	-999		-999
MAGELLAN HOLDINGS LP	-3,441		-3,441
MAGELLAN MIDSTREAM PARTNERS	-1,616		-1,616
MAGELLAN MIDSTREAM PARTNERS	30		30
NU STAR GP HOLDINGS	-927		-927
NU STAR GP HOLDINGS	823		823
NUSTAR ENERGY LP	-2,397		-2,397
NUSTAR ENERGY LP	1,602		1,602
ONEOK PARTNERS LP	-9,244		-9,244
ONEOK PARTNERS LP	372		372
PLAINS ALL AMERICAN PIPE LINE	-12,570		-12,570
PLAINS ALL AMERICAN PIPE LINE	348		348
TC PIPELINES	-9,728		-9,728
TC PIPELINES	-405		-405
TEPPCO PARTNERS LP	-10,308		-10,308
TEPPCO PARTNERS LP	-144		-144
TOTAL	$ -128,621	$ 0	$ -128,621

Statement 2 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
OPPENHEIMER, BLEND, HARRISON & T	$ 5,261	$ 526	$	$ 4,735
TOTAL	$ 5,261	$ 526	$ 0	$ 4,735

Federal Statements

Statement 3 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
WAYNE E. COLLIE, CPA	$ 8,790	$ 879	$	$ 7,911
TOTAL	$ 8,790	$ 879	$ 0	$ 7,911

Statement 4 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
UBS GLOBAL MANAGEMENT INC	$ 27,968	$ 27,968	$	$
GOLDMAN SACHS & CO	276,841	276,841		
TOTAL	$ 304,809	$ 304,809	$ 0	$ 0

Statement 5 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
FOREIGN TAXES	$ 15,725	$ 15,725	$	$
PROPERTY TAXES	11,424			11,424
FEDERAL TAXES	58,050			
PAYROLL TAXES	20,049	5,012		15,047
TOTAL	$ 105,248	$ 20,737	$ 0	$ 26,471

Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation

Description							
Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
TRASH RECEPTACLES							
10/28/05 $	2,883 $	625	S/L	10 $	288 $		$
FENCING & TRELLIS							
10/28/05	151,125	15,998	S/L	20	7,556		

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Description Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
STONE PATIO							
10/28/05 $	53,427 $	5,737	S/L	20 $	2,672 $	$	
FOUNTAIN							
10/28/05	181,370	19,620	S/L	20	9,068		
BATHROOM							
10/28/05	228,248	12,064	S/L	40	5,706		
WEDNESDAY CHILD IN-GROUND ARTWORK							
10/28/05	129,147	13,505	S/L	20	6,457		
IN-GROUND VAULT							
10/28/05	2,882	608	S/L	10	288		
IRRIGATION SYSTEM							
10/28/05	47,100	4,906	S/L	20	2,355		
LANDSCAPE PLANT MATERIAL & LABOR							
10/28/05	289,297	30,581	S/L	20	14,465		
152 CAMP							
10/28/05	128,206			0			
PLAYGROUND EQUIPMENT							
1/19/06	73,356	9,781	S/L	15	4,890		
SIGNAGE							
7/01/06	7,700	1,540	S/L	10	770		
LAND							
10/28/05	165,000			0			
LANDSCAPE EQUIPMENT							
9/27/07	924	12	S/L	20	46		
CHRISPARK IMPROVEMENTS (ARCHITECT FEES)							
9/13/07	14,025	234	S/L	20	701		
PLAYGROUND EQUIPMENT REPAIR							
6/01/07	1,748	68	S/L	15	117		
LANDSCAPE LIGHTING							
2/08/07	13,028	597	S/L	20	651		
FENCING							
1/22/07	8,000	367	S/L	20	400		
CREDIT ON WEDNESDAY CHILD PROJECT							
2/06/07	-700	-32	S/L	20	-35		
FOUNTAIN							
10/03/07	6,279	78	S/L	20	314		

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Description / Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
PATIO							
11/07/07 $	9,838 $	82	S/L	20 $	492 $	$	
LANDSCAPE LIGHTING							
10/18/07	258	2	S/L	20	13		
WEBSITE							
12/31/07	1,438		S/L	15	96		
TELEPHONE SYSTEM							
12/31/07	4,140		S/L	7	591		
ALARM SYSTEM							
12/31/07	5,000		S/L	20	250		
COMPUTER EQUIPMENT							
12/31/07	4,696		S/L	5	939		
OFFICE FURNITURE							
12/31/07	1,661		S/L	7	237		
OFFICE BUILDING IMPROVEMENTS							
12/31/07	95,382		S/L	39	2,446		
OFFICE BUILDING-LAND							
12/31/07	42,500			0			
OFFICE BUILDING							
12/31/07	135,533		S/L	39	3,475		
2002 TOYOTA TUNDRA							
1/01/08	3,984		S/L	5	797		
SHED							
1/18/08	897		S/L	10	82		
WEBSITE DESIGN							
1/17/08	1,120		S/L	7	147		
WEBSITE DESIGN							
2/21/08	2,500		S/L	7	298		
PHONE SYSTEM							
1/28/08	3,938		S/L	7	516		
SITE SURVEY, LINES-TELEPHONE SYSTEM							
1/31/08	2,077		S/L	7	272		
ALARM SYSTEM							
1/31/08	6,277		S/L	7	822		
SCANNER							
1/01/08	2,544		S/L	5	509		

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Description Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
SHREDDER							
2/07/08	$ 675	$	S/L	7	$ 88	$	$
DYSON VACUUM CLEANER							
2/19/08	507		S/L	7	60		
POLYSOM CONFERENCE UNIT							
5/29/08	670		S/L	7	56		
OFFICE FURNITURE-TEXAS WILSON							
1/31/08	13,327		S/L	7	1,745		
LAERAL FILES							
6/26/08	1,591		S/L	7	114		
OFFICE FURNITURE-HONDO PARTNERS							
8/01/08	8,200		S/L	7	488		
IRRIGATION ADN LANDSCAPE							
4/23/08	7,790		S/L	15	346		
ARCHITECT FEES FOR OFFICE							
1/17/08	11,293		S/L	39	265		
ELECTRIC SHADES							
1/28/08	663		S/L	7	87		
OFFICE BUILDING IMPROVEMENTS							
1/31/08	75,434		S/L	39	1,773		
CARPET							
2/21/08	5,496		S/L	7	654		
OUTDOOR WALKWAY							
2/21/08	15,401		S/L	15	856		
ARCHITECT FEES FOR OFFICE							
1/31/38	13,138		S/L	39	337		
ARCHITECT FEES FOR OFFICE							
2/21/08	910		S/L	39	19		
ARCHITECT FEES FOR OFFICE							
4/03/08	7,255		S/L	39	140		
ARCHITECT FEES FOR OFFICE							
4/23/08	3,062		S/L	39	52		
CANOPY AND STEEL PLATES							
5/01/08	7,450		S/L	39	127		
ARCHITECT FEES FOR CANOPY							
5/22/08	2,663		S/L	39	40		

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Description Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
OFFICE BUILDING IMPROVEMENTS							
5/22/08	$ 4,604	$	S/L	39	$ 69	$	$
CLOSET MILLWORK							
5/22/08	1,299		S/L	39	19		
SKYLIGHT TINTING							
9/04/08	2,172		S/L	39	19		
TELEVISION SET-UP							
1/14/08	17,357		S/L	7	2,480		
ARCHITECT FEES							
5/30/07	4,384	396	S/L	20	219		
ICE HOUSE IMPROVEMENTS							
1/06/06	54,788	7,305	S/L	15	3,653		
ICEHOUSE IMPROVEMENTS							
5/01/07	1,863	83	S/L	15	124		
ICEHOUSE ARCHITECT FEES							
5/30/07	10,188	396	S/L	15	679		
MISC OFFICE EQUIPMENT							
1/01/08	5,000		S/L	7	714		
AERON CHARIS							
1/01/08	750		S/L	7	107		
ICEHOUSE							
10/28/05	750,377			0			
RAILROAD RIGHT OF WAY							
12/30/08	65,121			0			
130 SCHREINER PLACE							
1/01/08	67,883			0			
TOTAL	$ 2,988,139	$ 124,553			$ 84,021	$ 0	$ 0

Federal Statements

Statement 7 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	$	$	$	$
EXPENSES				
ART COLLECTION EXPENSES	21,583			21,583
ARTIST DEVELOPMENT FEES	20,268			20,268
BANK FEES	397	40		357
CLEANING EXPENSES	2,243	224		2,019
CONSULTING FEES	36,074	3,607		32,467
INSURANCE	38,543	3,854		34,689
LANDSCAPE MAINTENANCE	9,150			9,150
MEMBERSHIPS	1,619			1,619
MISCELLANEOUS EXPENSES	6,193	619		5,574
MONITORING FEES	1,899	190		1,709
MOVING EXPENSES	1,725	173		1,552
OFFICE SUPPLIES	6,526	653		5,873
PAYROLL SERVICING FEES	2,537	634		1,903
POSTAGE	2,189	219		1,970
RECRUITING FEES	16,560	4,140		12,420
REPAIRS	17,554			17,554
RETIREMENT PLAN FEES	1,900	475		1,425
STORAGE FEES	1,414	141		1,273
SUBSCRIPTIONS	3,745	375		3,370
SUPPLIES	2,134	213		1,921
TELEPHONE	14,874	1,487		13,387
TRUCK EXPENSE	2,218			2,218
UTILITIES	26,786	2,679		24,107
TOTAL	$ 238,131	$ 19,723	$ 0	$ 218,408

Federal Statements

Statement 8 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
GOLDMAN SACHS-MONEY MARKET FUND	$ 1,522,153	$ 2,889,911	COST	$ 2,889,911
GOLDMAN SACHS-CORE PLUS FIXED INCOME	7,571,364	2,174,141	COST	2,003,387
GOLDMAN SACHS-ALETHIA	2,092,747	1,314,584	COST	847,116
GOLDMAN SACHS-HORIZON	4,264,343	303	COST	2,393
GOLDMAN SACHS-MLP'S ENERGY	996,851	3,731,050	COST	2,779,787
GOLDMAN SACHS-SNOW	2,823,994	177	COST	350
GOLDMAN SACHS-SOUTHERN SUN	2,201,390	2,048,229	COST	1,294,090
GOLDMAN SACHS-TCW LCV	5,216,669	1,248	COST	2,900
GOLDMAN SACHS-WESTFIELD	3,450,871	2,453,307	COST	1,732,236
GOLDMAN SACHS-NON-US EQUITIES	5,000,000	4,000,000	COST	2,168,550
GOLDMAN SACHS-PUBLIC EQUITY	1,868,760	1,700,003	COST	798,234
GOLDMAN SACHS-SPRUCEGROVE	3,000,000	2,000,000	COST	988,383
GS MEZZANINE PARTNERS	772,601	743,428	COST	652,248
GS-CONTRA CALPINE CORP		10,090	COST	3,090
BRINSON PARTNERSHIP 2000 PRIMARY FD		77,362	COST	77,362
BRINSON PARTNERSHIP 1999 PRIMARY FD		254,262	COST	254,262
BRINSON PARTNERSHIP 1998 PRIMARY FD		357,537	COST	357,537
BRINSON PARTNERSHIP 1998 SECONDARY		509	COST	509
BRINSON PARTNERSHIP 1997 PRIMARY FD		68,293	COST	68,293
BRINSON PARTNERSHIP 1996 FUND		282,451	COST	282,451
GS MOUNT KELLET CAPITAL PARTNERS		292,244	COST	292,244
GS HEDGE FUND OPPORTUNITIES		3,000,000	COST	2,652,687
ADAMS STREET PARTNERSHIP-US		1,348,114	COST	1,724,091
ADAMS STREET PARTNERSHIP-NON US		571,975	COST	906,012
200 SHS PROGRESS ENERGY		90	COST	66
9100 SHS ESCROW TELECORP		91	COST	

Federal Statements

Statement 8 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
GS S&P NOTE	$	$ 4,000,000	COST	$ 2,948,348
GS DIAMOND HILL		2,217,010	COST	2,214,545
GS NON US EQUITY STRUCTURED PRODUCT		2,000,000	COST	1,355,956
TOTAL	$ 40,781,743	$ 37,536,409		$ 29,297,038

Statement 9 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
LINDA PACE ART COLLECTIONS	$ 19,785,975	$ 19,818,687	COST	$ 19,818,687
PACE EXHIBITION SPACE	100,000	594,979	COST	594,979
TOTAL	$ 19,885,975	$ 20,413,666		$ 20,413,666

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Statement 10 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
	$ 2,293,262	$ 2,647,635	$ 208,574	$ 2,439,061
	207,500	340,504		340,504
TOTAL	$ 2,500,762	$ 2,988,139	$ 208,574	$ 2,779,565

Federal Statements

Statement 11 - Form 990-PF, Part II, Line 15 - Other Assets

Description	Beginning of Year	End of Year	Fair Market Value
UTILITY DEPOSIT	$ 510	$ 55	$ 55
TOTAL	$ 510	$ 55	$ 55

Statement 12 - Form 990-PF, Part III, Line 3 - Other Increases

Description	Amount
NON-DIVIDEND DISTRIBUTIONS	$ 11,271
TOTAL	$ 11,271

Federal Statements

Statement 13 - Form 990-PF, Part VI, Line 7 - Amended Return Payments

Description		Amount
TAX BASED ON INVESTMENT INCOME	$	1,625
PENALTY FOR UNDERPAYMENT OF ESTIMATED TAX		62
INTEREST		33
FAILURE TO PAY PENALTY		48
TOTAL	$	1,768

Federal Statements

Statement 14 - Form 990-PF, Part VII-A, Line 10 - Substantial Contributors

Name	Address	City, State, Zip
PACE 2005 CHARITABLE LEAD ANNUITY	PO BOX 830607	SAN ANTONIO TX 78283
ESTATE OF LINDA PACE	PO BOX 830607	SAN ANTONIO TX 78283

Federal Statements

Statement 15 - Form 990-PF, Part VIII, Line 1 - List of Officers, Directors, Trustees, Etc.

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
RICK MOORE PO BOX 830607 SAN ANTONIO TX 78283	PRES, CEO	40+	170,250	17,018	0
KATHRYN KANJO PO BOX 830607 SAN ANTONIO TX 78283	TRUSTEE	1	22,500	0	0
DENNIS SCHOLL PO BOX 830607 SAN ANTONIO TX 78283	TRUSTEE	1	22,500	0	0
JAN JARBOE RUSSELL PO BOX 830607 SAN ANTONIO TX 78283	TRUSTEE	1	22,500	0	0
ANNE HODGES MORGAN PO BOX 830607 SAN ANTONIO TX 78283	TRUSTEE	1	22,500	0	0
		0	0	0	0

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Statement 16 - Form 990-PF, Part IX-A, Line 1 - Summary of Direct Charitable Activities

Description
GRANTS SUPPORT THE OPERATION OF ARTPACE, INC., CHRISPARK, LLC, THE PUBLIC EXHIBITION OF THE CONTEMPORARY ART COLLECTION OF ITS FOUNDER, LINDA PACE, AND THE PUBLIC EXHIBITION OF THE WORK OF CONTEMPORARY ARTISTS. THE FOUNDATION SUPPORTED FIVE OTHER ORGANIZATIONS DESCRIBED IN SECTION 170(C) OF THE INTERNAL REVENUE CODE. ARTPACE, INC. PROVIDES A CENTER FOR RESIDENCY AND EXCHANGE FOR ARTISTS. CHRISPARK, LLC IS A FREE PUBLIC PARK FOR THE CITIZENS OF SAN ANTONIO.

Federal Statements

Form 990-PF, Part XV, Line 1a - Managers Who Contributed Over 2% or $5,000

Name of Manager	Amount
LINDA M. PACE (DECEASED)	$ 2,706,630
TOTAL	$ 2,706,630

Federal Statements

Statement 17 - Form 990-PF, Part XVI-A, Line 11 - Other Revenue

Description	Business Code	Unrelated Amount	Exclusion Code	Exclusion Amount	Related Income
WEDDING FEES		$	1	$ 150	$
ADAMS STREET PARTNERSHIP	211110	-427	25		
ADMAS STREET PARTNERSHIP			14	15,214	
ADAMS STREET PARTNERSHIP	211110	-2,754	25		
ADAMS STREET PARTNERSHIP			14	-1,489	
BRINSON PARTNERSHIP FUND 19	211110	-632	25		
BRINSON PARTNERSHIP FUND 19			14	-7,079	
BRINSON PARTNERSHIP FUND 19	211110	-57	25		
BRINSON PARTNERSHIP FUND 19			14	13,406	
BRINSON PARTNERSHIP FUND 19			14	-221	
BRINSON PARTNERSHIP FUND 19	211110	-425	25		
BRINSON PARTNERSHIP FUND 19			14	50,176	
BRINSON PARTNERSHIP FUND 19	211110	201	25		
BRINSON PARTNERSHIP FUND 19			14	504	
BRINSON PARTNERSHIP FUND 20	211110	-59	25		
BRINSON PARTNERSHIP FUND 20			14	3,280	
BROOKFIELD INFRASTRUCTURE P			14	3	
BUCKEYE GP HOLDINGS			14	-4,020	
BUCKEYE PARTENRS LP UNITS			14	-13,511	
CALUMET SPECIALTY PRODUCT P	211110	-4,129	25		
CALUMET SPECIALTY PRODUCT P			14	-24	
COPANO ENERGY LLC	211110	-12,495	25		
COPANO ENERGY LLC			14	32	
CROSSTEX ENERGY LP	211110	-34,160	25		
CROSSTEX ENERGY LP			14	7,696	
ENBRIDGE ENERGY PARTNERS LP	211110	-11,106	25		

Federal Statements

Statement 17 - Form 990-PF, Part XVI-A, Line 11 - Other Revenue (continued)

Description	Business Code	Unrelated Amount	Exclusion Code	Exclusion Amount	Related Income
ENBRIDGE ENERGY PARTNERS LP		$	14	$ -144	$
ENERGY TRANSFER PARTNERS	211110	-5,368	25		
ENERGY TRANSFER PARTNERS			14	342	
ENTERPRISE GP HOLDINGS	211110	-8,194	25		
ENTERPRISE GP HOLDINGS			14	-25	
ENTERPRISE PRODUCTS PARTNER	211110	-22,181	25		
ENTERPRISE PRODUCTS PARTNER			14	-92	
GS MEZZANINE PARTNERS III L	211110	-43,865	25		
GS MEZZANINE PARTNERS III L			14	14,692	
GS MOUNT KELLETT CAPITAL PA			14	-7,756	
HOLLY ENERGY PARTNERS	211110	-5,507	25		
HOLLY ENERGY PARTNERS			14	7	
ICAHAN ENTERPRISES LP	211110	-999	25		
ICAHAN ENTERPRISES LP			14		
MAGELLAN HOLDINGS LP	211110	-3,441	25		
MAGELLAN MIDSTREAM PARTNERS	211110	-1,616	25		
MAGELLAN MIDSTREAM PARTNERS			14	30	
NU STAR GP HOLDINGS	211110	-927	25		
NU STAR GP HOLDINGS			14	823	
NUSTAR ENERGY LP	211110	-2,397	25		
NUSTAR ENERGY LP			14	1,602	
ONEOK PARTNERS LP	211110	-9,244	25		
ONEOK PARTNERS LP			14	372	
PLAINS ALL AMERICAN PIPE LI	211110	-12,570	25		
PLAINS ALL AMERICAN PIPE LI			14	348	
TC PIPELINES	211110	-9,728	25		

Federal Statements

Statement 17 - Form 990-PF, Part XVI-A, Line 11 - Other Revenue (continued)

Description	Business Code	Unrelated Amount	Exclusion Code	Exclusion Amount	Related Income
TC PIPELINES		$	14	$ -405	$
TEPPCO PARTNERS LP	211110	-10,308	25		
TEPPCO PARTNERS LP			14	-144	
TOTAL		$ -202,388		$ 73,767	$ 0

Federal Statements

Taxable Interest on Investments

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code
GOLDMAN SACHS-FOUNDATION ACCT	$ 58		14	
GOLDMAN SACHS-TCW-LCV	1		14	
GOLDMAN SACHS-MLP	6		14	
GOLDMAN SACHS-RESTRICTED	1,995		14	
INTEREST REPORTED IN 2007	-861		14	
TOTAL	$ 1,199			

Taxable Dividends from Securities

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code
GOLDMAN SACHS-FOUNDATION ACCT	$ 273,586		14	
GOLDMAN SACHS-HORIZON	37,573		14	
GOLDMAN SACHS-TCW-LCV	91,041		14	
GOLDMAN SACHS-SOUTHERN SUN	25,320		14	
GOLDMAN SACHS-SNOW	33,851		14	
GOLDMAN SACHS-ALETHIA	20,674		14	
GOLDMAN SACHS-WESTFIELD	25,710		14	
GOLDMAN SACHS-MLP	8,202		14	
GOLDMAN SACHS-DIAMOND HILL	36		14	
GOLDMAN SACHS-RESTRICTED	5,922		14	
TOTAL	$ 521,915			