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

2009

Department of the Treasury
Internal Revenue Service

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

For calendar year **2009**, or tax year beginning _____, and ending _____

G Check all that apply: Initial return Initial return of a former public charity Final return
 Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation THE BH-EH FOUNDATION	A Employer identification number 20-5277907
	Number and street (or P O box number if mail is not delivered to street address) Room/suite 5111 BROADWAY	B Telephone number 210-828-6565
	City or town, state, and ZIP code SAN ANTONIO, TX 78209	C If exemption application is pending, check here <input type="checkbox"/> D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization <input type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input checked="" type="checkbox"/> Other taxable private foundation	I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 346,737. (Part I, column (d) must be on cash basis.)	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))</small>	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	7,896.	7,896.	7,896.	STATEMENT 1
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	-64,277.			
b Gross sales price for all assets on line 6a 271,003.				
7 Capital gain net income (from Part IV, line 2)		0.		
8 Net short-term capital gain			6,105.	
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss)				
11 Other income	2,064.	2,064.	2,064.	STATEMENT 2
12 Total. Add lines 1 through 11	-54,317.	9,960.	16,065.	
13 Compensation of officers, directors, trustees, etc	0.	0.	0.	0.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees STMT 3	600.	0.	600.	0.
c Other professional fees STMT 4	3,424.	3,424.	0.	0.
17 Interest				
18 Taxes				
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications OGDEN, UT				
23 Other expenses STMT 5	106.	60.	46.	0.
24 Total operating and administrative expenses. Add lines 13 through 23	4,130.	3,484.	646.	0.
25 Contributions, gifts, grants paid	5,500.			5,500.
26 Total expenses and disbursements. Add lines 24 and 25	9,630.	3,484.	646.	5,500.
27 Subtract line 26 from line 12	-63,947.			
a Excess of revenue over expenses and disbursements				
b Net investment income (if negative, enter -0-)		6,476.		
c Adjusted net income (if negative, enter -0-)			15,419.	

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	42,489.	53,905.	53,905.
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 6	342,186.	266,823.	292,832.
	c Investments - corporate bonds			
Liabilities	11 Investments - land, buildings, and equipment basis ▶			
	Less: accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment: basis ▶			
	Less: accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers)	384,675.	320,728.	346,737.
	17 Accounts payable and accrued expenses			
	18 Grants payable			
19 Deferred revenue				
20 Loans from officers, directors, trustees, and other disqualified persons				
21 Mortgages and other notes payable				
22 Other liabilities (describe ▶)				
23 Total liabilities (add lines 17 through 22)	0.	0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input type="checkbox"/>			
	24 Unrestricted and complete lines 24 through 26 and lines 30 and 31.			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	384,675.	320,728.	
30 Total net assets or fund balances	384,675.	320,728.		
31 Total liabilities and net assets/fund balances	384,675.	320,728.		

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	384,675.
2 Enter amount from Part I, line 27a	2	-63,947.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	320,728.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	320,728.

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 KANALY TRUST-SCH. 101	P		
b KANALY TRUST-SCH. 102	P		
c CAPITAL GAINS DIVIDENDS			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 123,655.		117,550.	6,105.
b 147,022.		217,730.	-70,708.
c 326.			326.
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			6,105.
b			-70,708.
c			326.
d			
e			

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	-64,277.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8		3	6,105.

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

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2008	30,954.	425,732.	.072708
2007	31,479.	527,668.	.059657
2006	9,750.	536,654.	.018168
2005			
2004			

2 Total of line 1, column (d)	2	.150533
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	.050178
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	314,681.
5 Multiply line 4 by line 3	5	15,790.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	65.
7 Add lines 5 and 6	7	15,855.
8 Enter qualifying distributions from Part XII, line 4 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	8	5,500.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	130.
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	130.
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	130.
6	Credits/Payments		
a	2009 estimated tax payments and 2008 overpayment credited to 2009	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	7	0.
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	130.
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be credited to 2010 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
1b		X
1c		X
2		X
3		X
4a		X
4b		
5		X
6		X
7	X	
8a		
8b	X	
9	X	
10		X

N/A

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	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? Website address ▶ N/A	13	X	
14	The books are in care of ▶ KANALY TRUST COMPANY Telephone no ▶ 713-626-9483 Located at ▶ 4550 POST OAK PLACE DRIVE, STE. 139, HOUSTON, TX ZIP+4 ▶ 77027			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A			

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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? Organizations relying on a current notice regarding disaster assistance check here ▶ N/A	1b	
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 2009?	1c	X
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 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions) 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 ▶		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2009 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 2009.) 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 2009?	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)? Yes No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? Yes No
 Organizations relying on a current notice regarding disaster assistance check here Yes No

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? Yes No
 If "Yes," attach the statement required by Regulations section 53.4945-5(d). N/A

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
 If "Yes" to 6b, file Form 8870.

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

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

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

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

(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
BRUCE H.C. HILL 5111 BROADWAY SAN ANTONIO, TX 78209	PRESIDENT 2.00	0.	0.	0.
ELLEN S. HILL 5111 BROADWAY SAN ANTONIO, TX 78209	VICE-PRESIDENT 2.00	0.	0.	0.
KATHRYN MARIE HILL TURPIN 5111 BROADWAY SAN ANTONIO, TX 78209	SECRETARY 2.00	0.	0.	0.
RUSSELL C. HILL II 5111 BROADWAY SAN ANTONIO, TX 78209	TREASURER 2.00	0.	0.	0.

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

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

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

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

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 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes.		
a	Average monthly fair market value of securities	1a	257,168.
b	Average of monthly cash balances	1b	62,305.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	319,473.
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	319,473.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	4,792.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	314,681.
6	Minimum investment return. Enter 5% of line 5	6	15,734.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	
2a	Tax on investment income for 2009 from Part VI, line 5	2a	
b	Income tax for 2009 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	5,500.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	5,500.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	5,500.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				0.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2009				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ N/A				
a Applied to 2008, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2009 distributable amount				0.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:	0.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2008. Subtract line 4a from line 2a Taxable amount - see instr.			0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling ▶

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

	Tax year				(e) Total
	(a) 2009	(b) 2008	Prior 3 years		
			(c) 2007	(d) 2006	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	15,419.	8,275.	13,972.	7,945.	45,611.
b 85% of line 2a	13,106.	7,034.	11,876.	6,753.	38,769.
c Qualifying distributions from Part XII, line 4 for each year listed	5,500.	31,000.	31,750.	9,750.	78,000.
d Amounts included in line 2c not used directly for active conduct of exempt activities	0.	0.	0.	0.	0.
e Qualifying distributions made directly for active conduct of exempt activities	5,500.	31,000.	31,750.	9,750.	78,000.
3 Subtract line 2d from line 2c					
3 a Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter					
(1) Value of all assets					0.
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0.
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	10,489.	14,191.	17,589.	17,889.	60,158.
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)					0.
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0.
(3) Largest amount of support from an exempt organization					0.
(4) Gross investment income					0.

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 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))

SEE STATEMENT 7

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

NONE

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

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

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

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

c Any submission deadlines.

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<p><i>a Paid during the year</i> GORDON CONWELL THEOLOGICAL SEMINARY 130 ESSEX ST. SOUTH HAMILTON, MA 01982</p>				500.
<p>THE INTERNATIONAL FOUNDATION P.O. BOX 23813 WASHINGTON, DC 200263813</p>				5,000.
Total			▶ 3a	5,500.
<p><i>b Approved for future payment</i></p> <p>NONE</p>				
Total			▶ 3b	0.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
KANALY TRUST CO.	8,222.	326.	7,896.
TOTAL TO FM 990-PF, PART I, LN 4	8,222.	326.	7,896.

FORM 990-PF OTHER INCOME STATEMENT 2

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
ROYALTY INCOME	2,064.	2,064.	2,064.
TOTAL TO FORM 990-PF, PART I, LINE 11	2,064.	2,064.	2,064.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX RETURN PREPARATION	600.	0.	600.	0.
TO FORM 990-PF, PG 1, LN 16B	600.	0.	600.	0.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TRUSTEE FEES	3,424.	3,424.	0.	0.
TO FORM 990-PF, PG 1, LN 16C	3,424.	3,424.	0.	0.

FORM 990-PF OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES	60.	60.	0.	0.
FEDERAL INC TAX	46.	0.	46.	0.
TO FORM 990-PF, PG 1, LN 23	106.	60.	46.	0.

FORM 990-PF CORPORATE STOCK STATEMENT 6

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SECURITIES	266,823.	292,832.
TOTAL TO FORM 990-PF, PART II, LINE 10B	266,823.	292,832.

FORM 990-PF PART XV - LINE 1A LIST OF FOUNDATION MANAGERS STATEMENT 7

NAME OF MANAGER
 BRUCE H.C. HILL
 ELLEN S. HILL

2009 Tax Information Statement

Account Number: 64854669
 Recipient's Tax ID number: XX-XXX7907
 Payer's Federal ID number: 74-1853251

Recipient's Name and Address
 THE BHEH FOUNDATION
 5111 BROADWAY
 SAN ANTONIO, TX 78209

Payer's Name and Address
 KANALY TRUST COMPANY
 5555 SAN FELIPE - STE 200
 HOUSTON, TX 77056

Corrected 2nd TIN notice

2009 Form 1099-B: Proceeds from Broker and Barter Exchange Transactions

OMB No. 1545-0715

Reported to the IRS are Gross Proceeds less commissions and option premiums.

Number of Shares (Box 5)	CUSIP (Box 1b)	Description (Box 7)	Date Acquired	Date of Sale (Box 1a)	Stocks, Bonds, etc. (Box 2)	Cost or Other Basis	Net Gain or Loss	Federal Income Tax Withheld (Box 4)
Short Term Sales Reported on 1099-B								
417.0000	464287465	ISHARES TR MSCI EAFE FD MSCI EAFE INDEX FUND	VARIOUS	02/20/2009	14,863.64	18,123.52	-3,259.88	0.00
413.0000	464287200	ISHARES TRUST S&P 500 S&P 500 INDEX	12/05/2008	05/28/2009	37,640.77	34,258.93	3,381.84	0.00
412.0000	464287200	ISHARES TRUST S&P 500 S&P 500 INDEX	12/05/2008	07/02/2009	37,276.91	34,175.97	3,100.94	0.00
83.0000	57060U100	MARKET VECTORS ETF TRUST GOLD MINERS FUND	02/27/2009	10/12/2009	4,001.58	3,046.04	955.54	0.00
82.0000	57060U100	MARKET VECTORS ETF TRUST GOLD MINERS FUND	VARIOUS	12/17/2009	3,726.16	2,467.66	1,258.50	0.00
173.0000	74347R883	PROSHS ULTRASHRT S&P500 PROSHARES TRUST	11/05/2009	12/23/2009	5,994.53	6,788.40	-793.87	0.00
1973.6760	87234N880	TCW TOTAL RETURN BOND FUND I CLASS	VARIOUS	12/09/2009	20,151.76	18,688.99	1,462.77	0.00
Total Short Term Sales Reported on 1099-B					123,655.35	117,549.51	6,105.84	0.00
Long Term 15% Sales Reported on 1099-B								
9.0000	084670207	BERKSHIRE HATHAWAY INC CL B	VARIOUS	07/02/2009	25,901.38	32,459.60	-6,558.22	0.00
400.0000	81369Y506	ENERGY SELECT SECTOR SPDR FUND	01/04/2008	07/02/2009	18,598.97	31,216.00	-12,617.03	0.00
242.0000	464288885	ISHARES MSCI GWTH IDX FD	11/08/2007	02/20/2009	8,945.16	19,614.10	-10,668.94	0.00

Schedule 101

This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.



2009 Tax Information Statement

Account Number: 64854669
 Recipient's Tax ID number: XX-XXX7907
 Payer's Federal ID number: 74-1853251

Recipient's Name and Address
 THE BHEH FOUNDATION
 5111 BROADWAY
 SAN ANTONIO, TX 78209

Corrected
 2nd TIN notice

Number of Shares (Box 5)	CUSIP (Box 1b)	Description (Box 7)	Date Acquired	Date of Sale (Box 1a)	Stocks, Bonds, etc. (Box 2)	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld (Box 4)
208.0000	464287309	ISHARES S&P 500 GROWTH S&P 500 GROWTH INDEX FD	08/09/2007	04/22/2009	9,211.68	14,303.29	-5,091.61	0.00
152.0000	464287887	ISHARES S&P SMCAP GROWTH S&P SMALLCAP 600	09/26/2007	04/09/2009	6,323.47	10,887.76	-4,564.29	0.00
134.0000	464287655	ISHARES TR RUSSELL 2000 RUSSELL 2000 INDEX FUND	01/26/2007	04/09/2009	6,206.92	10,481.90	-4,274.98	0.00
1100.0000	81369Y407	SECTOR SPDR CONSUMER FD SHARES OF BENEFICIAL INT	01/07/2008	07/02/2009	24,708.51	34,188.00	-9,479.49	0.00
800.0000	81369Y209	SECTOR SPDR HEALTH FUND SHARES OF BENEFICIAL INT	01/07/2008	07/02/2009	20,703.31	28,447.20	-7,743.89	0.00
125.0000	81369Y100	SECTOR SPDR MATERIALS FD SHARES OF BENEFICIAL INT	01/04/2008	07/02/2009	3,158.59	5,109.75	-1,951.16	0.00
650.0000	81369Y308	SECTOR SPDR TR CON STPLS SHARES OF BENEFICIAL INT	01/04/2008	07/02/2009	14,986.81	18,290.35	-3,303.54	0.00
300.0000	81369Y886	SECTOR SPDR UTIL SELECT SHARES OF BENEFICIAL INT	01/04/2008	07/02/2009	8,277.13	12,731.61	-4,454.48	0.00
Total Long Term 15% Sales Reported on 1099-B					147,021.93	217,729.56	-70,707.63	0.00

Schedule 102

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