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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

2009For calendar year 2009, or tax year beginning **March 1**, 2009, and ending **February 28**, 20 **10**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 Joe & Jean Palmer Endowment Fund		A Employer identification number 73-1593688	
	Number and street (or P O box number if mail is not delivered to street address) Room/suite 2915 S 13th Street		B Telephone number (see page 10 of the instructions) 580-252-0629	
	City or town, state, and ZIP code Duncan, OK 73533-9086		C If exemption application is pending, check here <input type="checkbox"/>	
	H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>	
I Fair market value of all assets at end of year (from Part II, col. (c); line 16) \$ 196922.00		J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
		(Part I, column (d) must be on cash basis.)		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))		(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)	0			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	0	0	0	
	4 Dividends and interest from securities	12470.00	12470.00	12470.00	
	5a Gross rents	0	0	0	
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	0			
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		0		
	8 Net short-term capital gain			0	
	9 Income modifications			0	
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)	0		0		
11 Other income (attach schedule)	0	0	0		
12 Total. Add lines 1 through 11	12470.00	12470.00	12470.00		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	0	0	0	0
	14 Other employee salaries and wages	0	0	0	0
	15 Pension plans, employee benefits	0	0	0	0
	16a Legal fees (attach schedule)	0	0	0	0
	b Accounting fees (attach schedule)	0	0	0	0
	c Other professional fees (attach schedule)	0	0	0	0
	17 Interest	0	0	0	0
	18 Taxes (attach schedule) (see page 14 of the instructions)	0	0	0	0
	19 Depreciation (attach schedule) and depletion	0	0	0	0
	20 Occupancy	0	0	0	0
	21 Travel, conferences, and meetings	0	0	0	0
	22 Printing and publications	0	0	0	0
	23 Other expenses (attach schedule)	741.00	741.00	741.00	741.00
	24 Total operating and administrative expenses. Add lines 13 through 23	741.00	741.00	741.00	741.00
	25 Contributions, gifts, grants paid	11000.00			11000.00
26 Total expenses and disbursements. Add lines 24 and 25	11741.00	741.00	741.00	11741.00	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	729.00				
b Net investment income (if negative, enter -0-)		11729.00			
c Adjusted net income (if negative, enter -0-)			11729.00		

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing	0	0	0
	2	Savings and temporary cash investments	0	0	0
	3	Accounts receivable ▶			
		Less: allowance for doubtful accounts ▶	0	0	0
	4	Pledges receivable ▶			
		Less: allowance for doubtful accounts ▶	0	0	0
	5	Grants receivable	0	0	0
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)	0	0	0
	7	Other notes and loans receivable (attach schedule) ▶			
		Less: allowance for doubtful accounts ▶	0	0	0
	8	Inventories for sale or use	0	0	0
	9	Prepaid expenses and deferred charges	0	0	0
	10a	Investments—U.S. and state government obligations (attach schedule)	0	0	0
	b	Investments—corporate stock (attach schedule)	0	0	0
	c	Investments—corporate bonds (attach schedule)	0	0	0
	11	Investments—land, buildings, and equipment: basis ▶			
Liabilities		Less: accumulated depreciation (attach schedule) ▶	0	0	0
	12	Investments—mortgage loans	0	0	0
	13	Investments—other (attach schedule)	167626.00	196922.00	196922.00
	14	Land, buildings, and equipment: basis ▶			
		Less: accumulated depreciation (attach schedule) ▶	0	0	0
	15	Other assets (describe ▶)	0	0	0
	16	Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	167626.00	196922.00	196922.00
	17	Accounts payable and accrued expenses	0	0	
	18	Grants payable	0	0	
	19	Deferred revenue	0	0	
Net Assets or Fund Balances	20	Loans from officers, directors, trustees, and other disqualified persons	0	0	
	21	Mortgages and other notes payable (attach schedule)	0	0	
	22	Other liabilities (describe ▶)	0	0	
	23	Total liabilities (add lines 17 through 22)	0	0	
		Foundations that follow SFAS 117, check here <input type="checkbox"/>			
	24	Unrestricted	0	0	
	25	Temporarily restricted	0	0	
	26	Permanently restricted	0	0	
		Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	27	Capital stock, trust principal, or current funds	0	0	
Net Assets or Fund Balances	28	Paid-in or capital surplus, or land, bldg., and equipment fund	0	0	
	29	Retained earnings, accumulated income, endowment, or other funds	167626.00	196922.00	
	30	Total net assets or fund balances (see page 17 of the instructions)	167626.00	196922.00	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	167626.00	196922.00	

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	167626.00
2	Enter amount from Part I, line 27a	2	729.00
3	Other increases not included in line 2 (itemize) ▶ <u>Gain on Investments</u>	3	28567.00
4	Add lines 1, 2, and 3	4	196922.00
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	196922.00

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs. MLC Co.)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				
(i) FMV 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				
b				
c				
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	
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.

(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	13029.00	193892.00	6.72%
2007	9522.00	221980.00	4.29%
2006	7061.00	221443.00	3.19%
2005	0	209912.00	00%
2004	2945.00	190296.00	.02%
2 Total of line 1, column (d)			2 14.22%
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 2.84%
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5			4 187026.00
5 Multiply line 4 by line 3			5 5311.00
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 117.00
7 Add lines 5 and 6			7 5428.00
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 on page 18.			8 11741.00

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 <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	117	00
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	117	00
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	117	00
6	Credits/Payments:			
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	0	
b	Exempt foreign organizations—tax withheld at source	6b	0	
c	Tax paid with application for extension of time to file (Form 8868)	6c	0	
d	Backup withholding erroneously withheld	6d	0	
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	0	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	117	00
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 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?		✓
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)? <i>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.</i>		✓
c Did the foundation file Form 1120-POL for this year?		✓
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? <i>If "Yes," attach a detailed description of the activities.</i>		✓
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? <i>If "Yes," attach a conformed copy of the changes</i>		✓
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		✓
b If "Yes," has it filed a tax return on Form 990-T for this year?		✓
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		✓
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?	✓	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	✓	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ _____		
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 <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	✓	
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 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? <i>If "Yes," complete Part XIV</i>	✓	
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		✓

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 page 20 of the instructions)	11		✓
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		✓
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	✓	

Website address ▶ _____

14 The books are in care of ▶ **National Rural Water Association** Telephone no. ▶ **580-252-0629**
 Located at ▶ **2915 S 13th Street, Duncan, OK** ZIP+4 ▶ **73533-9086**

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? . . . <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)? . . . <input type="checkbox"/>	1b	
Organizations relying on a current notice regarding disaster assistance check here . . . ▶ <input type="checkbox"/>		
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	✓
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 ▶ 20____, 20____, 20____, 20____		
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.) . . .	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? . . . <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? (<i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009.</i>) . . .	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	✓
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	✓

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)? ☐ Yes ☒ No
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? ☐ Yes ☒ No
If "Yes," attach the statement required by Regulations section 53.4945–5(d).
- 6a** Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No
- b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No
If "Yes" to 6b, file Form 8870.
- 7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No
- b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1** List all officers, directors, trustees, foundation managers and their compensation (see 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
Robert K Johnson Loco, OK	President 00	0	0	0
G. Sam Wade Elgin, OK	Vice President 00	0	0	0
Claudette E Atwood Duncan, OK	Sec/Treasurer 00	0	0	0

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

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

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
None		
Total number of others receiving over \$50,000 for professional services		00

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 None	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 24 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 None	
2	
All other program-related investments. See page 24 of the instructions	
3	
Total. Add lines 1 through 3	00

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	189874.00
b	Average of monthly cash balances	1b	0.00
c	Fair market value of all other assets (see page 24 of the instructions)	1c	0.00
d	Total (add lines 1a, b, and c)	1d	189874.00
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.00
2	Acquisition indebtedness applicable to line 1 assets	2	0.00
3	Subtract line 2 from line 1d	3	189874.00
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	2848.00
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	187026.00
6	Minimum investment return. Enter 5% of line 5	6	9351.00

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	
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 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	

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	11741.00
b	Program-related investments—total from Part IX-B	1b	0.00
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	0.00
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	0.00
b	Cash distribution test (attach the required schedule)	3b	0.00
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	11741.00
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	0.00
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	11741.00

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 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: 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2009:				
a From 2004	0			
b From 2005	0			
c From 2006	0			
d From 2007	0			
e From 2008	0			
f Total of lines 3a through e	0			
4 Qualifying distributions for 2009 from Part XII, line 4: ► \$ 11741.00				
a Applied to 2008, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		0		
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)	0			
d Applied to 2009 distributable amount				11000.00
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:				
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 page 27 of the instructions		0		
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions			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) (see page 27 of the instructions)	0			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)	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	0			
b Excess from 2006	0			
c Excess from 2007	0			
d Excess from 2008	0			
e Excess from 2009	0			

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 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	Prior 3 years			(e) Total
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	9351.00	6691.00	6392.00	10056.00	
b 85% of line 2a	7948.00	5687.00	5433.00	8548.00	
c Qualifying distributions from Part XII, line 4 for each year listed	11741.00	13029.00	9522.00	7061.00	
d Amounts included in line 2c not used directly for active conduct of exempt activities	0.00	0.00	0.00	0.00	
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c	11741.00	13029.00	9522.00	7061.00	
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	6234.00	6463.00	7399.00	7381.00	
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 28 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).)

None

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

None

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

Check here ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see 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:

National Rural Water Association, 2913 S 13th, Duncan, OK 73533 580-252-0629

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

See Attached Schedule 3

c Any submission deadlines:

See Attached Schedule 3

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

Awards made to children of Rural Water members

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				
Abrahamson, Nikki, 26 Hillside Lane, Brooks, MA	none	N/A	Educational Scholarship	1000.00
Anstine, Marissa, 200 S. Moulton, Leeton, MO	none	N/A	Educational Scholarship	2000.00
Condit, Whitney, PO Box 112, Velma, OK	none	N/A	Educational Scholarship	2000.00
Kerr, Brittany, 2524 Holly Ave., Buena Vista, VA	none	N/A	Educational Scholarship	2000.00
Sieg, Kellie, 1921 32nd St., NE, Anamouse, ND	none	N/A	Educational Scholarship	2000.00
Webber, Zachary, 1602 Washington, Unionville, MO	none	N/A	Educational Scholarship	2000.00
Total			3a	11000.00
b Approved for future payment				
Abrahamson, Nikki, 26 Hillside Lane, Brooks, MA	none	N/A	Educational Scholarship	7000.00
Anstine, Marissa, 200 S. Moulton, Leeton, MO	none	N/A	Educational Scholarship	2000.00
Condit, Whitney, PO Box 112, Velma, OK	none	N/A	Educational Scholarship	6000.00
Kerr, Brittany, 2524 Holly Ave., Buena Vista, VA	none	N/A	Educational Scholarship	2000.00
Sieg, Kellie, 1921 32nd St., NE, Anamouse, ND	none	N/A	Educational Scholarship	4000.00
Webber, Zachary, 1602 Washington, Unionville, MO	none	N/A	Educational Scholarship	4000.00
Total			3b	25000.00

Enter gross amounts unless otherwise indicated.

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

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 29 of the instructions)
---------------	--

Form **990-PF** (2009)

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

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

[illegible]

- 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
National Rural Water Association	501 (c) (6)	Parent

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.

Claudette Atwood
Signature of officer or trustee

Date 10/15/2010

Secretary/Treasurer
Title

Sign Here

**Paid
Preparer's
Use Only**Preparer's
signature

Date

Check if self-employed ► ☐

Preparer's identifying
number (see **Signature** on
page 30 of the instructions)

Firm's name (or yours if self-employed), address, and ZIP code

EIN ►

Phone no

Joe & Jean Palmer Endowment Fund
Schedule 1

73-1593688

Part I Analysis of Revenue and Expenses

23. Other expenses

Bank charges	<u>741</u>
Total	741

Joe & Jean Palmer Endowment Fund
Schedule 2

73-1593688

Part II Balance Sheet

13. Investments - Other

Charles Schwab

196922

Total

196922

The
Joe and Jean
Palmer
ENDOWMENT FUND



**Four-Year Award
Amount \$2,000/yr.**

Application must be typed – All questions must be completed. If an answer is not applicable, please use the term N/A. If you leave any question blank, your application will be disqualified. Upon completing this form: print, sign and mail it to: NRWA Scholarship Committee, 2915 S. 13th Street, Duncan, OK 73533.

Deadline – January 4, 2010

The NRWA National Board of Directors has established the Joe & Jean Palmer Endowment Fund to honor the memory of a rural water leader and true friend. This scholarship will benefit the children of the rural water family attending institutions of higher learning

A retired civil engineer and avid environmentalist, Palmer was a prominent figure in the local, state and national water industry. Although he was retired, he was a partner in Stevenson and Palmer Engineering and had held the post of president and CEO. He was co-founder of the Georgia Rural Water Association, serving as president of the organization for four years. He was president of National Rural Water Association from 1994 to 1996 and was named the 1991 NRWA Man of the Year. In recognition of his lobbying efforts as a member of the Water Industry Coordinating Committee, he was invited to the White House to witness the signing of the 1996 Safe Drinking Water Act.

From 1942 to 1969, he was in the U.S. Army, serving in World War II, Korea, and Vietnam. He was chosen as one of the military escorts for President John F. Kennedy's funeral cortege and was a member of President Lyndon B. Johnson's inaugural committee. Before he retired as a colonel, his last assignment was to the office of Joint Chiefs of Staff in the Pentagon. He received the Silver Star, two Legion of Merit awards, The Bronze Star, the Air Medal, the Joint Staff Commendation Medal and 12 other service medals.

A former science and chemistry teacher, Mrs. Palmer later owned and operated a gift shop and established an insurance agency, winning a number of awards from the insurance industry. Most recently, she had embarked on a successful career in real estate and investment counseling. The Palmers were killed in a traffic accident on May 8, 2000, in their hometown of Camilla, Georgia.

By resolution, the NRWA Rally 2000 in Washington D.C. was dedicated to the Palmers: "They were the epitome of Rural America . . . Their character, ethics, and morals contributed to the success of their personal businesses as well as the success of rural water nationwide . . . Rural Water has lost a catalyst, a champion, a leader, and a friend. Their importance and contributions to the rural water family will be felt for generations to come."

Personal Data of Scholarship Applicant

Last Name _____ **First Name** _____ **Middle** _____

Address _____

City _____ **State** _____ **Zip** _____

Date of Birth _____ **Telephone** _____

Eligible Association Employee Data

Name _____ **Job Title** _____

Address _____

City _____ **State** _____ **Zip** _____

Association Name _____

Association Telephone _____

Relationship to Applicant _____

High School Data

School Name _____

Address _____

City _____ **State** _____ **Zip** _____

Graduation Date _____ **Grade Point Average** _____ **

Transcript must be submitted with application.

Class Rank _____ **Number of Students in Class** _____

Composite ACT/SAT Scores _____

List any academic awards, membership or other special recognition you have received during your high school years.

College/University Data

Is this your first year of higher education?

- ☐ **Yes (If “Yes” Skip to College/University Name)**
☐ **No (If “No”, the most recent college transcript required)**

If “No”, credit hours completed _____

Number of credit hours required to graduate _____

College Grade Point Average _____

College/University Name _____

Address _____

City _____ State _____ Zip _____

Please indicate one:

- ☐ **4 Year College/University**
☐ **Graduate School**

Major Course of Study _____

Financial Data

Please indicate the income range of your gross family income:

- ☐ **Under \$30,000** ☐ **\$45,000 – \$59,999** ☐ **Over \$75,000**
☐ **\$30,000 - \$44,999** ☐ **\$60,000 - \$74,999**

If you are receiving other financial aid, please itemize by name and amount or mark "None":

Name _____ **Amount** _____

Name _____ **Amount** _____

None ☐

If there are any family circumstances that shall influence your need for financial assistance, please describe:

Please add other activities including leadership, community and work related:

Letters of Reference

Two Letters of Reference must be provided for award consideration. (1 letter must be from teacher/professor or school counselor and the 2nd letter must be from a non-school setting, such as clergyman, employer, etc., but not family or friends)

Photograph & Local Newspaper

Please include a 5" X 7" photograph along with the name and address of your local newspaper. This information will be used to notify the media should you be selected as a scholarship winner.

Newspaper Name: _____

Newspaper Address: _____

Essay

On a separate page in at least 350 words but no more than 500, write a brief essay on “What Being an American Means to Me”. This topic was selected because of the Palmer’s patriotic dedication. (Must be typed)

Certification

In submitting this application, we certify that the information provided is complete and accurate to the best of our knowledge. False information will result in the revocation of any scholarship granted.

Applicant’s Signature X _____ Date _____

Parent’s Signature X _____ Date _____
(Must be the signature of the Association employee)

Official Rules

- 1. This endowment scholarship will be made to a student to defray the cost of tuition, books, and/or room and board at an accredited institution of higher learning approved by the National Rural Water Association (NRWA) through the completion of their degree, not to exceed four years.**
- 2. Disbursement of the money will be made each semester upon presentation of recipient’s college or university invoice as proof of full-time enrollment, for the first semester.**
- 3. Each semester following, recipient must provide proof of full-time enrollment, letter of good standing from the university or college they are attending and a current official transcript.**
- 4. The student must maintain at least a 2.5 grade point average in order to retain the scholarship.**

5. The scholarship money will be paid directly to the student each semester upon proof that qualifications have been met.
6. The scholarship will be awarded to children or stepchildren of NRWA or State Affiliate employees; student must be 26 yrs old or under by September 1 of that school year.
7. In order to be eligible for a scholarship, applicants must complete this form in it's entirety by answering all questions and submitting all required paper work. This application form must be typewritten, hand written applications will be disqualified.
8. If an item is not applicable, please place an N/A in the blank.
9. Upon completion return it to the NRWA Scholarship Committee by the entry deadline, January 4, 2010.
10. All applications will be first screened on the basis of leadership responsibilities in community and school activities as well as grade point average.
11. The scholarship recipient will be selected on the basis of the number, length of commitment, and quality of leadership responsibilities in community and school activities, awards, honors, academic record, career goals, and financial need.
12. Applicants will be evaluated on a comparative basis at the sole discretion of the committee.
13. Decisions will be final.
14. Application material and decisions of the committee shall be confidential.
15. Acceptance of scholarship constitutes permission to use recipients name and/or likeness for purpose of promotion.
16. Should the parent of the scholarship award recipient leave the employment of the affiliate state association or NRWA for any reason, the student will no longer qualify for the award.

Print and sign this completed form and mail to NRWA Scholarship Committee along with all documentation.

, Mail Instructions:

Place all pertinent documents (including this form) into an envelope and mail to:

**Attention NRWA Scholarship Committee
2915 South 13th Street
Duncan, Ok 73533**