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2020111

Form **990-PF**

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

OMB No 1545-0052

2009Department 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 **06/01/09**, and ending **05/31/10**

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 BROWNSVILLE FOUNDATION FOR HEALTH AND EDUCATION		A Employer identification number 74-1818930
	Number and street (or P O box number if mail is not delivered to street address) C/O WELLS FARGO, PO BOX 41629	Room/suite	B Telephone number (see page 10 of the instructions)
	City or town, state, and ZIP code AUSTIN TX 78704-9926		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 ☒ 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) \$ 6,876,043		J Accounting method ☐ Cash ☒ Accrual ☐ Other (specify)	

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)				
2 Check ☒ if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments	47,079	47,079		
4 Dividends and interest from securities	100,993	100,993		
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10 Stmt 1	180,589			
b Gross sales price for all assets on line 6a 1,516,193				
7 Capital gain net income (from Part IV, line 2)		924		
8 Net short-term capital gain			0	
9 Income modifications				
10a Gross sales less returns & allowances				
b Less loss or gains sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule) Stmt 2	770	770		
12 Total. Add lines 1 through 11	329,431	149,766	0	
Operating and Administrative Expenses				
13 Compensation of officers, directors, trustees, etc.				
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)				
b Accounting fees (attach schedule)				
c Other professional fees (attach schedule) Stmt 3	42,050			42,050
17 Interest				
18 Taxes (attach schedule) (see page 14 of the instructions) Stmt 4	3,085			
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (att sch) Stmt 5	15,031			6,000
24 Total operating and administrative expenses. Add lines 13 through 23	60,166	0		48,050
25 Contributions, gifts, grants paid	206,259			206,259
26 Total expenses and disbursements. Add lines 24 and 25	266,425	0	0	254,309
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	63,006			
b Net investment income (if negative, enter -0-)		149,766		
c Adjusted net income (if negative, enter -0-)			0	

For Privacy Act and Paperwork Reduction Act Notice, see page 30 of the instructions.

Form 990-PF (2009)

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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	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing			
	2 Savings and temporary cash investments	996,868	1,205,102	1,205,102
	3 Accounts receivable ▶ Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶ Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 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			
	10a Investments—U S and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule) See Stmt 6	5,200,740	5,055,512	5,670,941
	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)			
	14 Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch.) ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	6,197,608	6,260,614	6,876,043
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☒ 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	6,197,608	6,260,614	
	30 Total net assets or fund balances (see page 17 of the instructions)	6,197,608	6,260,614	
	31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	6,197,608	6,260,614	

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	6,197,608
2 Enter amount from Part I, line 27a	2	63,006
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	6,260,614
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	6,260,614

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	924		924	
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(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		
a			924	
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	924
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

N/A

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))
2008			
2007			
2006			
2005			
2004			
2 Total of line 1, column (d)			2
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
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5			4
5 Multiply line 4 by line 3			5
6 Enter 1% of net investment income (1% of Part I, line 27b)			6
7 Add lines 5 and 6			7
8 Enter qualifying distributions from Part XII, line 4			8

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 Exempt 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 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 ☐ and enter 1% of Part I, line 27b	1	2,995
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	2,995
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	2,995
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	
8	Enter any penalty for underpayment of estimated tax. Check here ☒ if Form 2220 is attached	8	91
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	3,086
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 ☐ Refunded ☐	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?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? 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		X
1c Did the foundation file Form 1120-POL for this year?		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		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		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
4b 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? If "Yes," attach the statement required by General Instruction T		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?	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	X	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) TX		
8b 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	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 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		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 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? Website address ► N/A	13	X	
14	The books are in care of ► WELLS FARGO BANK, NA PO BOX 41629 Located at ► AUSTIN, TX	Telephone no ► 512-424-0126 ZIP+4 ► 78704		
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)? 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? 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 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)? (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)? Organizations relying on a current notice regarding disaster assistance check here	N/A ☐	5b	
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? If "Yes," attach the statement required by Regulations section 53.4945-5(d)	N/A ☐ Yes ☐ No		
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? If "Yes" to 6b, file Form 8870		6b	X
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
DAVID GARZA C/O WELLS FARGO BANK PO BOX 41629 TX 78704-9926	CHAIRMAN 0.25	0	0	0
RENATO E CARDENAS C/O WELLS FARGO BANK PO BOX 41629 TX 78704-9926	VICE-CHAIR 0.25	0	0	0
ANTONIO M DIAZ, MD C/O WELLS FARGO BANK PO BOX 41629 TX 78704-9926	SEC-TREAS 0.25	0	0	0
TERI ALARCON C/O WELLS FARGO BANK PO BOX 41629 TX 78704-9926	MEMBER 0.25	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
NONE				

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

**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 SUPPORT OF PROGRAMS IN HEALTH AND/OR EDUCATION FOR NINE 501(c)(3) ORGANIZATIONS AND THREE SCHOOLS.	206,259
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 N/A	
2	
All other program-related investments. See page 24 of the instructions	
3	
Total. Add lines 1 through 3	

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	6,276,286
b	Average of monthly cash balances	1b	645,585
c	Fair market value of all other assets (see page 24 of the instructions)	1c	53,257
d	Total (add lines 1a, b, and c)	1d	6,975,128
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	6,975,128
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions) See Statement 7	4	387,738
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	6,587,390
6	Minimum investment return. Enter 5% of line 5	6	329,370

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	329,370
2a	Tax on investment income for 2009 from Part VI, line 5	2a	2,995
b	Income tax for 2009 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	2,995
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	326,375
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	326,375
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	326,375

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	254,309
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	
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	254,309
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	254,309

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				326,375
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only				
b Total for prior years 20____, 20____, 20____				
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				
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 254,309				
a Applied to 2008, 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 2009 distributable amount				254,309
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2009 (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				
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 2008 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				72,066
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 2004 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a				
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 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(1)(5)

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

Tax year

Prior 3 years

(a) 2009

(b) 2008

(c) 2007

(d) 2006

(e) Total

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 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:

UNITED WAY

634 E LEVEE BROWNSVILLE TX 78520

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

SEE COPY OF APPLICATION, ATTACHED.

c Any submission deadlines

JANUARY 31ST

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

SEE COPY OF GRANT APPLICATION, ATTACHED.

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 See Statement 8				206,259
Total			3a	206,259
b Approved for future payment N/A				
Total			3b	

Part XVI-A · Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

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	47,079	
4	Dividends and interest from securities			14	100,993	
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			1	770	
8	Gain or (loss) from sales of assets other than inventory			18	924	179,665
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue a _____					
b	_____					
c	_____					
d	_____					
e	_____					
12	Subtotal. Add columns (b), (d), and (e)		0		149,766	179,665
13	Total. Add line 12, columns (b), (d), and (e)				13	329,431

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

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

[illegible]

74-1818930

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Whom Sold	Description		How Received		Cost	Expense	Depreciation	Net Gain / Loss
	Date Acquired	Date Sold	Sale Price	Purchase Price				
300 AIR PRODUCTS & CHEMICALS INC	6/07/05	3/17/10	\$	Purchase 22,323	18,846	\$	\$	3,477
400 ALLSTATE CORP COM	11/16/06	3/25/10		Purchase 12,636	25,732			-13,096
4300 AUTOMATIC DATA PROCESSING INC	3/01/94	3/17/10		Purchase 191,915	51,300			140,615
400 BARD C R INC	8/15/08	3/17/10		Purchase 33,538	37,520			-3,982
1400 BARNES & NOBLE INC	7/31/03	7/29/09		Purchase 31,506	24,242			7,264
700 BECTON DICKINSON & CO	11/16/06	3/17/10		Purchase 55,426	49,162			6,264
500 COLGATE PALMOLIVE CO	9/13/06	3/17/10		Purchase 42,199	31,030			11,169
500 E I DU PONT DE NEMOURS & CO	6/07/05	3/17/10		Purchase 18,187	23,701			-5,514
300 EXELON CORP	8/16/06	3/17/10		Purchase 13,563	17,763			-4,200
250000 FEDERAL HOME LN BKS	4/11/08	11/03/09		Purchase 250,000	254,113			-4,113
250000 FED NATL MTG ASSN 2.375%	4/11/08	5/20/10		Purchase 250,000	249,892			108
300 FIRSTENERGY CORP	8/16/08	3/17/10		Purchase 11,958	16,821			-4,863
1400 GENERAL DYNAMICS CORP	7/31/03	7/29/09		Purchase 76,341	55,636			20,705
800 ITT INDS INC	6/07/05	3/17/10		Purchase 42,807	37,199			5,608
1000 POWERSHARES QQQ TR	6/07/05	3/26/10		Purchase 47,979	38,410			9,569
2000 POWERSHARES QQQ TR	11/11/09	3/26/10		Purchase 95,959	77,849			18,110
2825 ROYAL DUTCH SHELL PLC SPONS ADR	3/31/05	3/17/10		Purchase 169,164	168,889			275
500 SOUTHWEST AIRLINES	10/22/08	3/17/10		Purchase 6,473	6,275			198

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets (continued)

Whom Sold	Description	Date Acquired	Date Sold	How Received		Cost	Expense	Depreciation	Net Gain / Loss
				Sale Price	Purchase				
1000 SYSCO CORP		9/13/08	3/17/10	\$ 28,980	Purchase	33,389	\$	\$	-4,409
50000 UNITED TECHNOLOGIES CORP		6/14/05	5/01/10	50,000	Purchase	50,266			-266
50000 WACHOVIA BK NATL ASSN MEDIUM		10/17/06	7/30/09	48,500	Purchase	50,069			-1,569
1685.93 WF ADV STABLE INC FD ADMIN #		12/07/01	7/29/09	15,815	Purchase	17,500			-1,685
Total				\$ 1,515,269	\$ 1,335,604	\$ 0	\$	0	\$ 179,665

Statement 2 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
MUTUAL FUND CASH RECEIPTS	\$ 770	770	\$
Total	\$ 770	770	\$ 0

Statement 3 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
ADMINISTRATIVE FEES	\$ 40,800	\$	\$	\$ 40,800
TAX PREPARATION	1,250			1,250
Total	\$ 42,050	\$ 0	\$ 0	\$ 42,050

Federal Statements

Statement 4 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
FOREIGN TAX PAID ON DIVIDENDS	\$ 3,085	\$	\$	\$
Total	\$ 3,085	\$ 0	\$ 0	\$ 0

Statement 5 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Expenses				
INSURANCE	9,031			
UNITED WAY MANAGEMENT FEE	6,000			6,000
Total	\$ 15,031	\$ 0	\$ 0	\$ 6,000

Statement 6 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning	End of	Basis of	Fair Market
	of Year	Year	Valuation	Value
	\$ 5,200,740	\$ 5,055,512	Cost	\$ 5,670,941
Total	<u>\$ 5,200,740</u>	<u>\$ 5,055,512</u>		<u>\$ 5,670,941</u>

Statement 7 - Form 990-PF, Part X, Line 4 - Cash Deemed Held - Greater Amount Explanation

Description	Amount
5-year average used for charitable activities	387,738
Total	387,738

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

Name of Manager	Amount
NONE	\$
Total	\$ 0

Form 990-PF, Part XV, Line 1b - Managers Who Own 10% or More Stock

Name of Manager	Amount
NONE	\$
Total	\$ 0

Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description
SEE COPY OF APPLICATION, ATTACHED.

Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description
JANUARY 31ST

Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description
SEE COPY OF GRANT APPLICATION, ATTACHED.

Federal Statements

Statement 8 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the
Year

Name	Address	Relationship	Status	Purpose	Amount
UNITED WAY OF CAMERON CO	1034 E LEVEE ST			SUPPORT HEALTH/EDUCATION	4,828
BROWNSVILLE TX 78520					
BRO ADULT LITERACY CENTER	1235 E JEFFERSON			SUPPORT EDUCATION	590
BROWNSVILLE TX 78520					
ST JOSEPH ACADEMY	101 ST JOSEPH DRIVE			SUPPORT EDUCATION	8,971
BROWNSVILLE TX 78520					
B'VILLE MUSEUM OF FINE AR	SIXTH STREET			SUPPORT EDUCATION	15,729
BROWNSVILLE TX 78520					
BRO SOC FOR CRIPPLED CH	1901 E 22ND ST			SUPPORT HEALTH	13,501
BROWNSVILLE TX 78520					
TEACH FOR AMERICA	1006 S 10TH ST			SUPPORT EDUCATION	5,000
MCALLEN TX 78501					
VALLEY ZOOLOGICAL SOCIETY	500 RINGGOLD ST			SUPPORT EDUCATION	23,500
BROWNSVILLE TX 78520					
GOOD NEIGHBOR SETTLEMENT	1254 E TYLER			SUPPORT HEALTH/EDUCATION	10,445
BROWNSVILLE TX 78520					
UTB-TSC CTR CIVIC ENGAGMN	80 FT BROWN			SUPPORT EDUCATION	10,000
BROWNSVILLE TX 78520					
UTB-TSC	80 FT BROWN			SUPPORT EDUCATION	16,000
BROWNSVILLE TX 78521					
TIP OF TX FAMILY OUTREACH	164-B OAK ST			SUPPORT HEALTH/EDUCATION	77,695
BROWNSVILLE TX 78521					
GIRL SCOUTS	202 E MADISON			SUPPORT EDUCATION	20,000
BROWNSVILLE TX 78520					
Total					206,259

Federal Statements**Taxable Interest on Investments**

<u>Description</u>	<u>Amount</u>	<u>Unrelated Business Code</u>	<u>Exclusion Code</u>	<u>Postal Code</u>
	\$ 47,079		14	
Total	<u>\$ 47,079</u>			

Taxable Dividends from Securities

<u>Description</u>	<u>Amount</u>	<u>Unrelated Business Code</u>	<u>Exclusion Code</u>	<u>Postal Code</u>
MUTUAL FUNDS	\$ 45,210		14	
SECURITIES	55,783		14	
Total	<u>\$ 100,993</u>			

Other Investment Income

<u>Description</u>	<u>Amount</u>	<u>Unrelated Business Code</u>	<u>Exclusion Code</u>	<u>Postal Code</u>
MUTUAL FUND CASH RECEIPTS	\$ 770		1	
Total	<u>\$ 770</u>			

Grant Application

Brownsville Foundation for Health & Education General Grant Guidelines

1. Purpose. Brownsville Foundation for Health & Education (the "Foundation") was established in 1986 to provide grants to deserving organizations, primarily in Brownsville, Texas and other Texas communities. Foundation is particularly interested in providing direct or indirect support to the health care and education of the Brownsville community through its grants.
2. Eligibility. Grants will be awarded on an annual basis to organizations whose purposes and activities further the general goals of Foundation. All such organizations must be either (i) government instrumentalities (such as state universities) or (ii) organizations which are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1954 (the "Code").
3. Applications. Foundation will accept applications for grants at any time during the year.
4. Selection process. Each grant application will be reviewed by, and approved or rejected by the Trustees of Foundation within a reasonable time after it is submitted. The Trustees may, in their sole discretion, request that one or more qualified experts in a particular field assist them in making their selections. For example, if Foundation anticipates making a grant for research in a particular area of medicine, the Trustees may request that a physician practicing in that particular area of medicine review and recommend action with respect to such applications.
5. Payment of Grants. Unless otherwise requested by an applicant and approved by the Trustees, each grant will be paid in one lump sum. Subsequent grants to the same organization must be applied for, reviewed and approved separately.
6. Reports. Within a reasonable time after the grant funds have been fully expended, the grantee organization shall submit a written report to Foundation outlining how the funds were spent. If the funds are to be expended over a long period of time, the grantee organization shall submit a written report within one (1) year of the date of the initial grant outlining how funds have been spent to date and how the remaining funds will be spent. Foundation may require further reports from the grantee organization if the Trustees deem such reports to be necessary, or, if the Trustees reasonably believe the remaining funds will be spent properly, no further reports shall be required.
7. Misuse of Funds. Foundation specifically reserves the right to obtain any funds which have been improperly used.

Grant Application

- 1 Full Name & Address of Applicant

- 2 Name and Phone Number of Contact Person

- 3 Total Amount of Grant Requested: _____

- 4 Attach detailed description of (i) purpose of grant, (ii) first date funds will be needed, and (iii) detailed budget of how grant will be used, including period of time over which funds will be expended.

5. Attach listing of all Directors and Officers of applying organization.

- 6 Attach IRS tax exempt determination letter indicating that your organization is exempt under 501(c)(3) and a copy of the most recent Form 990 filed with the IRS

or

If you are a government instrumentality, attach a letter from your legal counsel stating that you are an organization described in Sections 170(b)(1)(A)(v) and 170(c)(1) of the Code.

7. Describe all applications you have made to other grant making organizations for similar purposes, and status of their approval, including the amounts requested and/or approved.