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CHANGE IN ACCOUNTING PERIOD

Form 990-PF

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

OMB No 1545-0052

Department of the Treasury
Internal Revenue Service

2010

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

For calendar year 2010, or tax year beginning 12/01/10, and ending 12/31/10

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

Name of foundation

South Texas Charitable Foundation

Number and street (or P O box number if mail is not delivered to street address) Room/suite
P. O. Box 2549

City or town, state, and ZIP code

Victoria TX 77902

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 J Accounting method Cash Accrual
 end of year (from Part II, col (c),
 line 16) ► \$ 7,472,885 (Part I, column (d) must be on cash basis)

A Employer identification number

74-2148107

B Telephone number (see page 10 of the instructions)
361-573-4383

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 ►

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)
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1 Contributions, gifts, grants, etc., received (attach schedule)				
2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments	29	29	29	
4 Dividends and interest from securities	65,962	65,962	65,962	
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10				
b Gross sales price for all assets on line 6a				
7 Capital gain net income (from Part IV, line 2)		0	0	
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns & allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	65,991	65,991	65,991	

13 Compensation of officers, directors, trustees, etc RECEIVED	0			
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)				
b Accounting fees (attach schedule)	1,160	1,160	1,160	
c Other professional fees (attach schedule)				
17 Interest				
18 Taxes (attach schedule) (see page 14 of the instructions)	1,271	1,271	1,271	
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (att. sch.)				
24 Total operating and administrative expenses.	2,431	2,431	2,431	0
Add lines 13 through 23				
25 Contributions, gifts, grants paid	113,000			113,000
26 Total expenses and disbursements. Add lines 24 and 25	115,431	2,431	2,431	113,000
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	-49,440			
b Net investment income (if negative, enter -0-)		63,560		
c Adjusted net income (if negative, enter -0-)			63,560	

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

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Assets	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
			1,164	1,164	1,164
1	Cash—non-interest-bearing		261,708	213,539	213,539
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 (attach schedule) (see page 15 of the instructions)				
7	Other notes and loans receivable (att schedule) ►				
	Less allowance for doubtful accounts ►				
8	Inventories for sale or use				
9	Prepaid expenses and deferred charges				
10a	Investments—U S and state government obligations (attach schedule)				
b	Investments—corporate stock (attach schedule)				
c	Investments—corporate bonds (attach schedule)				
11	Investments—land, buildings, and equipment basis ►				
	Less accumulated depreciation (attach sch) ►				
12	Investments—mortgage loans				
13	Investments—other (attach schedule) See Statement 3		6,269,488	6,269,488	7,258,182
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)		6,532,360	6,484,191	7,472,885
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)			
Net Assets or Fund Balances	22	Other liabilities (describe ► See Statement 4)	-1,307	-36	
	23	Total liabilities (add lines 17 through 22)	-1,307	-36	
Foundations that follow SFAS 117, check here ► <input type="checkbox"/> 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 ► <input checked="" type="checkbox"/> and complete lines 27 through 31.					
27	Capital stock, trust principal, or current funds		2,633,831	2,633,831	
28	Paid-in or capital surplus, or land, bldg , and equipment fund				
29	Retained earnings, accumulated income, endowment, or other funds		3,899,836	3,850,396	
30	Total net assets or fund balances (see page 17 of the instructions)		6,533,667	6,484,227	
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)		6,532,360	6,484,191	

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	6,533,667
2	Enter amount from Part I, line 27a	2	-49,440
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	6,484,227
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	6,484,227

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 N/A					
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			(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					
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

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))
2009	279,380	6,794,785	0.041117
2008	245,356	5,917,231	0.041465
2007	304,351	7,205,717	0.042237
2006	502,795	8,170,313	0.061539
2005	213,500	7,640,711	0.027942

2 Total of line 1, column (d)

2 0.214300

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 0.042860

4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5

4 7,384,514

5 Multiply line 4 by line 3

5 316,500

6 Enter 1% of net investment income (1% of Part I, line 27b)

6 636

7 Add lines 5 and 6

7 317,136

8 Enter qualifying distributions from Part XII, line 4

8 113,000

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

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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)	►	1	1,271
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		2	0
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		3	1,271
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	0
3	Add lines 1 and 2		5	1,271
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			
5	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-			
6	Credits/Payments			
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	1,307	
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	1,307	
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		
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	36	
11	Enter the amount of line 10 to be Credited to 2011 estimated tax ►	36	Refunded	► 11

Part VII-A **Statements Regarding Activities**

1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign? 1a Yes No

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)? 1b Yes No
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

1c Did the foundation file Form 1120-POL for this year? 1c Yes No

1d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year
(1) On the foundation ► \$ _____ (2) On foundation managers ► \$ _____

1e 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? 2 Yes No
If "Yes," attach a detailed description of the activities

3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes 3 Yes No

4a Did the foundation have unrelated business gross income of \$1,000 or more during the year? 4a Yes No

4b If "Yes," has it filed a tax return on Form 990-T for this year? 4b Yes No

5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? 5 Yes No
If "Yes," attach the statement required by General Instruction T

6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either
• By language in the governing instrument, or
• By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? 6 Yes No

7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV 7 Yes No

8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ► 8a Yes No
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 8b Yes No

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 2010 or the taxable year beginning in 2010 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV 9 Yes No

10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses 10 Yes No

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? Website address ► **N/A** 13

14 The books are in care of ► **Thomas L. Keller**
101 S Main, Ste 300

Telephone no ► **361-573-4383**Located at ► **Victoria****TX**ZIP+4 ► **77901**

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** ►

16 At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22 1. If "Yes," enter the name of the foreign country ► 16 Yes No **X**

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.

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 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ► **N/A** ►

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 2010? **N/A**

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 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? Yes 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 22 of the instructions) **N/A**

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 2010 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 2010) **N/A**

4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? **3b**

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 2010? **4a 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			
	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(1)	Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?			
(2)	Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?			
(3)	Provide a grant to an individual for travel, study, or other similar purposes?			
(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)			
(5)	Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?			
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 ► <input type="checkbox"/>			
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 <input type="checkbox"/> Yes <input type="checkbox"/> No			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 <input type="checkbox"/> X			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? b If Yes, did the foundation receive any proceeds or have any net income attributable to the transaction? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 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
Ann W. Harithas P. O. Box 2549	Victoria TX 77902 President 1.00	0	0	0
Molly O. Kemp P. O. Box 2549	Victoria TX 77902 Vice-Pres 1.00	0	0	0
Thomas L. Keller P. O. Box 2549	Victoria TX 77902 Sec-Treas 1.00	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
NONE				

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

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

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
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 N/A

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	7,258,183
b	Average of monthly cash balances	1b	238,786
c	Fair market value of all other assets (see page 25 of the instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	7,496,969
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	7,496,969
4	Cash deemed held for charitable activities Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	112,455
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	7,384,514
6	Minimum investment return. Enter 5% of line 5	6	31,359

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	31,359
2a	Tax on investment income for 2010 from Part VI, line 5	2a	1,271
b	Income tax for 2010 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	1,271
3	Distributable amount before adjustments Subtract line 2c from line 1	3	30,088
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	30,088
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	30,088

Part XII Qualifying Distributions (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes	1a	113,000
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26	1b	
b	Program-related investments—total from Part IX-B	2	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	3a	
3	Amounts set aside for specific charitable projects that satisfy the	3b	
a	Suitability test (prior IRS approval required)	4	113,000
b	Cash distribution test (attach the required schedule)	5	0
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	6	113,000
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)		
6	Adjusted qualifying distributions. Subtract line 5 from line 4		

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 2009	(c) 2009	(d) 2010
1 Distrnbutable amount for 2010 from Part XI, line 7				30,088
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only				
b Total for prior years 20 ____ , 20 ____ , 20 ____				
3 Excess distributions carryover, if any, to 2010				
a From 2005				
b From 2006	73,022			
c From 2007				
d From 2008				
e From 2009				
f Total of lines 3a through e	73,022			
4 Qualifying distributions for 2010 from Part XII, line 4 ► \$ <u>113,000</u>				
a Applied to 2009, but not more than line 2a				
b Applied to undistrnbutable 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 2010 distrnbutable amount				30,088
e Remaining amount distributed out of corpus	82,912			
5 Excess distributions carryover applied to 2010 (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:	155,934			
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 Undistrnbutable income for 2009 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	155,934			
10 Analysis of line 9				
a Excess from 2006	73,022			
b Excess from 2007				
c Excess from 2008				
d Excess from 2009				
e Excess from 2010	82,912			

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)				
a Paid during the year See Statement 6				113,000
Total			► 3a	113,000
b Approved for future payment N/A				
Total			► 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income (See page 28 of the instructions)
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	29
4 Dividends and interest from securities				14	65,962
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory					
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		65,991	0
13 Total. Add line 12, columns (b), (d), and (e)		13		65,991	

(See worksheet in line 13 instructions on page 29 to verify calculations)

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

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?

a Transfers from the reporting foundation to a noncharitable exempt organization of

- (1) Cash
- (2) Other assets

b Other transactions

(1) Sales of assets to a noncharitable exempt organization

(2) Purchases of assets from a noncharitable exempt organization

(3) Rental of facilities, equipment, or other assets

(4) Reimbursement arrangements

(5) Loans or loan guarantees

(6) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

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.

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

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

Yes No

b If "Yes," complete the following schedule

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

**Sign
Here**

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

15/3/60

Secretary/Treasurer

Date

Title

Print/Type preparer's name		Preparer's signature	Date	Check <input type="checkbox"/> if self-employed
Paid				
Preparer	Loretta J. Marquette, CPA		Loretta Marquette	
Use Only	Firm's name ►	Keller & Associates, CPAs		PTIN P01208773
	Firm's address ►	P.O. Box 2549 Victoria, TX 77902-2549		Firm's EIN ► 74-2653198
				Phone no 361-573-4383

Statement 1 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Accounting Fees	\$ 1,160	\$ 1,160	\$ 1,160	\$ 0
Total	\$ 1,160	\$ 1,160	\$ 1,160	\$ 0

Statement 2 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Excise Tax	\$ 1,271	\$ 1,271	\$ 1,271	\$ 0
Total	\$ 1,271	\$ 1,271	\$ 1,271	\$ 0

Federal Statements

Statement 3 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Harbor International Fund	\$ 379,123	\$ 379,123	Market	\$ 464,941
Vanguard Diversified Equity	1,774,994	1,774,994	Market	1,743,741
Vanguard Inter Term Inv Grade	339,628	339,628	Market	352,828
Vanguard Short Term Inv Grade	518,601	518,601	Market	531,857
Vanguard Total Bond Mkt Idx	829,766	829,766	Market	880,316
Vanguard Total Intl Stock Mkt	596,960	596,960	Market	686,029
Vanguard Total Stock Mkt Idx	1,830,416	1,830,416	Market	2,598,470
Total	\$ 6,269,488	\$ 6,269,488		\$ 7,258,182

Statement 4 - Form 990-PF, Part II, Line 22 - Other Liabilities

Description	Beginning of Year	End of Year
Excise Tax	\$ -1,307	\$ -36
Total	\$ -1,307	\$ -36

Federal Statements

Statement 5 - Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description

All distributions by the foundation have been made to charitable, religious or educational organizations. If the foundation adopts a grant, scholarship, fellowship or loan program, it will develop appropriate forms and procedures at that time.

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

Description

As above.

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

Description

As above.

Federal Statements

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Statement 6 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Name	Address	Relationship	Status	Purpose	Amount
Texas A&M Foundation	401 College Station TX 77840	N/A	George Bush Drive	Public	2, 500
Affectionate Arms	P.O. Box 7604			Charitable/Educational	
Victoria TX 77903	N/A				3, 000
Christ's Kitchen	P.O. Box 3391		Public	Charitable/Educational	
Victoria TX 77903	N/A				7, 000
Community Action Cmnte	P.O. Box 3607		Public	Charitable/Educational	
Victoria TX 77903	N/A				5, 000
Manhattan Art Program	800 6th Ave., Suite 11C		Public	Charitable/Educational	
New York NY 10001	N/A				15, 000
Natl Performance Network	P.O. Box 56698		Public	Charitable/Educational	
New Orleans LA 70130	N/A		Public	Charitable/Educational	
Coastal Prairies GLCI	312 S. Main, Room 308		Public	Charitable/Educational	
Victoria TX 77901	N/A				8, 000
Refugio Cnty Elderly Serv	P.O. Box 193		Public	Charitable/Educational	
Refugio TX 78377	N/A				7, 000
VISD-Mitchell Guidance Ct	P.O. Box 1759		Public	Charitable/Educational	
Victoria TX 77902	N/A				1, 500
Food Bank of Golden Cres	P.O. Box 5085		Public	Charitable/Educational	
Victoria TX 77903	N/A				3, 000
Golden Crescent CASA	P.O. Box 1627		Public	Charitable/Educational	
Victoria TX 77902	N/A				3, 000
Victoria Chrsititan Assist	P.O. Box 1786		Public	Charitable/Educational	
Victoria TX 77902	N/A				3, 000
Victoria County Seniors	P.O. Box 1433		Public	Charitable/Educational	
Victoria TX 77902	N/A				5, 000
Total					<u><u>113, 000</u></u>

**ACTION TAKEN BY THE BOARD OF DIRECTORS
OF SOUTH TEXAS CHARITABLE FOUNDATION
WITHOUT MEETING**

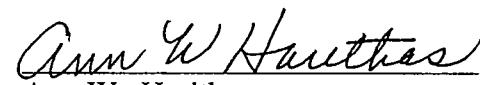
The undersigned, being all members of the Board of Directors of South Texas Charitable Foundation (the "Company"), pursuant to Bylaws of the Company, do hereby unanimously adopt the following resolutions, which shall have the same force and effect as if an actual meeting were held by the members of the Board of Directors at which such actions were duly taken:

WHEREAS, the directors of the Company have determined that is in the best interests of the company to change the fiscal year end;

NOW, THEREFORE, BE IT RESOLVED, that the fiscal year end of the Company be the 31st day of December.

As an attestation of the action of the foregoing and as evidence of their consent to all written statements herein, the undersigned, being all members of the Board of Directors of the Company, subscribe their names hereto.

Dated: December 1, 2010.


Ann W. Harithas


Molly O'Connor Kemp


Thomas L. Keller