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

OMB No 1545 0052

2010Department 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 2010, or tax year beginning , 2010, and ending

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

The Powell Foundation
2121 San Felipe #110
Houston, TX 77019

A Employer identification number

74-6104592

B Telephone number (see the instructions)

713-523-7557

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, column (c), line 16) ☐ 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 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 (att sch)	1,066,913.			
2 Ck ☐ if the found is not req to att Sch B				
3 Interest on savings and temporary cash investments			N/A	
4 Dividends and interest from securities	496,514.	496,514.		
5a Gross rents				
b Net rental income or (loss)				
6a Net gain/(loss) from sale of assets not on line 10	425,189.			
b Gross sales price for all assets on line 6a	1,615,442.			
7 Capital gain net income (from Part IV, line 2)		425,189.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit/(loss) (att sch)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	1,988,616.	921,703.		
ADMINISTRATIVE AND OPERATING EXPENSES				
13 Compensation of officers, directors, trustees, etc	132,015.	6,601.		125,414.
14 Other employee salaries and wages	9,758.	488.		9,270.
15 Pension plans, employee benefits	9,725.	486.		9,239.
16a Legal fees (attach schedule)				
b Accounting fees (attach sch) See St 1	3,045.	1,523.		1,522.
c Other prof fees (attach sch) See St. 2	35,562.	35,562.		
17 Interest				
18 Taxes (attach schedule) See Instr 3	23,216.	5,830.		
19 Depreciation (attach sch) and depletion				
20 Occupancy	21,016.	1,050.		19,966.
21 Travel, conferences, and meetings	11,027.	551.		10,476.
22 Printing and publications				
23 Other expenses (attach schedule) See Statement 4	3,394.	322.		3,072.
24 Total operating and administrative expenses. Add lines 13 through 23	248,758.	52,413.		178,959.
25 Contributions, gifts, grants paid Part XV	570,497.			580,497.
26 Total expenses and disbursements. Add lines 24 and 25	819,255.	52,413.		759,456.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	1,169,361.			
b Net Investment Income (if negative, enter -0-)		869,290.		
c Adjusted net Income (if negative, enter -0-)				

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Part II Balance Sheets		Beginning of year (a) Book Value	End of year	
			(b) Book Value	(c) Fair Market Value
ASSETS	1 Cash — non-interest-bearing			
	2 Savings and temporary cash investments	255,143.	178,846.	178,846.
	3 Accounts receivable 6,944.			
	Less: allowance for doubtful accounts ▶	5,293.	6,944.	6,944.
	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 the instructions)			
	7 Other notes and loans receivable (attach sch) ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	7,906.	310.	310.
	10a Investments — U.S. and state government obligations (attach schedule) Statement 5	356,892.	311,860.	311,860.
	b Investments — corporate stock (attach schedule) Statement 6	18,250,825.	21,394,890.	21,394,890.
	c Investments — corporate bonds (attach schedule) Statement 7	131,927.	171,168.	171,168.
LIABILITIES	11 Investments — land, buildings, and equipment: basis			
	Less: accumulated depreciation (attach schedule) ▶			
	12 Investments — mortgage loans			
	13 Investments — other (attach schedule)			
	14 Land, buildings, and equipment: basis ▶ 4,335.			
	Less: accumulated depreciation (attach schedule) See Stmt 8 ▶ 4,335.			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers — see instructions. Also, see page 1, item I)	19,007,986.	22,064,018.	22,064,018.
	17 Accounts payable and accrued expenses		5,647.	
	18 Grants payable	80,000.	70,000.	
NET FUND ASSETS	19 Deferred revenue			
	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	80,000.	75,647.	
	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ▶ ☒ X			
	24 Unrestricted	18,927,986.	21,988,371.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ ☐			
FUND BALANCES	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, building, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see the instructions)	18,927,986.	21,988,371.	
	31 Total liabilities and net assets/fund balances (see the instructions)	19,007,986.	22,064,018.	

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	18,927,986.
2 Enter amount from Part I, line 27a	2	1,169,361.
3 Other increases not included in line 2 (itemize) ▶ See Statement 9	3	1,891,024.
4 Add lines 1, 2, and 3	4	21,988,371.
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	21,988,371.

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 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a Sale of securities		P	Various	12/01/10
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 1,615,442.		1,190,253.	425,189.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a			425,189.
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	425,189.
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 the instructions). If (loss), enter -0- in Part I, line 8	3	0.

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 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 (column (b) divided by column (c))
2009	1,022,026.	16,464,316.	0.062075
2008	1,163,617.	20,567,997.	0.056574
2007	1,037,223.	23,974,590.	0.043263
2006	1,048,274.	21,345,742.	0.049109
2005	989,687.	20,728,712.	0.047745

2 Total of line 1, column (d)	2	0.258766
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	0.051753
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	18,845,501.
5 Multiply line 4 by line 3	5	975,311.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	8,693.
7 Add lines 5 and 6	7	984,004.
8 Enter qualifying distributions from Part XII, line 4	8	759,456.

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.

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

1 a 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 instr.)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☐ and enter 1% of Part I, line 27b		1	17,386.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (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	17,386.
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	17,386.
6 Credits/Payments:			
a 2010 estimated tax pmts and 2009 overpayment credited to 2010	6a	11,739.	
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	11,739.	
8 Enter any penalty for underpayment of estimated tax. Check here ☒ 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	5,647.	
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 2011 estimated tax ☐ Refunded ☐	11		

Part VII Statements Regarding Activities

	Yes	No
1 a 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
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?		X
If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ \$ 0. (2) On foundation managers. ▶ \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ 0.		
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
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?	N/A	
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, column (c), and Part XV.	X	
8 a Enter the states to which the foundation reports or with which it is registered (see the instructions) TX		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If 'No,' attach explanation	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 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? 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

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Part VII-A Statements Regarding Activities (Continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>www.powellfoundation.org</u>	13	X	
14	The books are in care of <u>Caroline Sabin</u> Telephone no <u>713-523-7557</u> Located at <u>2121 San Felipe, Suite 110, Houston, TX</u> ZIP + 4 <u>77019</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <u>N/A</u> and enter the amount of tax-exempt interest received or accrued during the year <u>15</u> <u>N/A</u>			
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?	16	Yes	No
See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country				

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 the instructions)?	1b	X
Organizations relying on a current notice regarding disaster assistance check here ☐		
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	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 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 <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
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 the instructions.)	2b	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 <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
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.)	3b	N/A
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 2010?	4b	X

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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 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 instructions)?

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?

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?

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 instructions).

(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 10		128,266.	3,749.	0.

2 Compensation of five highest-paid employees (other than those included on line 1— see 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

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 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		0

Part IX A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 N/A	
2	
3	
4	

Part IX B Summary of Program-Related Investments (see 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 instructions.	
3	
Total. Add lines 1 through 3	0.

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Form 990-PF (2010)

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities.	1a	18,930,513.
b Average of monthly cash balances	1b	201,975.
c Fair market value of all other assets (see instructions)	1c	
d Total (add lines 1a, b, and c)	1d	19,132,488.
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	19,132,488.
4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4	286,987.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	18,845,501.
6 Minimum investment return. Enter 5% of line 5.	6	942,275.

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

1 Minimum investment return from Part X, line 6.	1	942,275.
2a Tax on investment income for 2010 from Part VI, line 5	2a	17,386.
b Income tax for 2010. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	17,386.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	924,889.
4 Recoveries of amounts treated as qualifying distributions	4	
5 Add lines 3 and 4	5	924,889.
6 Deduction from distributable amount (see instructions)	6	
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	924,889.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc. — total from Part I, column (d), line 26	1a	759,456.
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	759,456.
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 instructions).	5	
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	759,456.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				924,889.
2 Undistributed income, if any, as of the end of 2010:				
a Enter amount for 2009 only			0.	
b Total for prior years: 20____, 20____, 20____		0.		
3 Excess distributions carryover, if any, to 2010.				
a From 2005				
b From 2006				
c From 2007				
d From 2008 98,946.				
e From 2009 210,592.				
f Total of lines 3a through e.	309,538.			
4 Qualifying distributions for 2010 from Part XII, line 4: ▶ \$ 759,456.				
a Applied to 2009, but not more than line 2a.			0.	
b Applied to undistributed income of prior years (Election required — see instructions)		0.		
c Treated as distributions out of corpus (Election required — see instructions)	0.			
d Applied to 2010 distributable amount.				759,456.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a).)	165,433.			165,433.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5	144,105.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.		0.		
d Subtract line 6c from line 6b. Taxable amount — see instructions.		0.		
e Undistributed income for 2009. Subtract line 4a from line 2a Taxable amount — see instructions			0.	
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 instructions)	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	144,105.			
10 Analysis of line 9:				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009 144,105.				
e Excess from 2010				

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

N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, 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)					
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	Tax year	Prior 3 years			(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	
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 organization had \$5,000 or more in assets at any time during the year — see 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))

Kitty King Powell

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

None

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

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

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

See Statement 11

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

See Statement for Line 2a

c Any submission deadlines:

See Statement for Line 2a

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

See Statement for Line 2a

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
<i>a Paid during the year</i> See Attached Schedule	N/A	Public	See attachment	580,497.
Total			3a	580,497.
<i>b Approved for future payment</i> See Statement 12				
Total			3b	70,000.

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

► **Attach to Form 990, 990-EZ, or 990-PF**

OMB No 1545-0047

2010

Name of the organization

The Powell Foundation

Employer identification number

74-6104592

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

- ☐ 501(c)() (enter number) organization
☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
☐ 527 political organization

Form 990-PF

- ☒ 501(c)(3) exempt private foundation
☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

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

Special Rules

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ, that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ, that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ, that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc, purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc, purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc, contributions of \$5,000 or more during the year. ► \$ _____

Caution: An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF) but it **must** answer 'No' on Part IV, line 2 of their Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2010)

Name of organization

Employer identification number

The Powell Foundation

74-6104592

Part I Contributors (see instructions.)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	Kitty King Powell 4718 Hallmark, AL 11 Houston, TX 77056	\$ 1,066,913.	Person ☒ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

Employer identification number

74-6104592

Part III

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	Publicly traded stock		
		\$ 816,913.	12/02/10
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	

Schedule B (Form 990, 990-EZ, or 990-PF) (2010)

Name of organization

Employer identification number

The Powell Foundation

74-6104592

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than \$1,000 for the year. Complete cols (a) through (e) and the following line entry.For organizations completing Part III, enter total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this information once. See instructions.) . . . ▶ \$ N/A

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

The Powell Foundation

74-6104592

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

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Tax Compliance Services	\$ 3,045.	\$ 1,523.		\$ 1,522.
Total	<u>\$ 3,045.</u>	<u>\$ 1,523.</u>		<u>\$ 1,522.</u>

Statement 2
Form 990-PF, Part I, Line 16c
Other Professional Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Investment Counseling	\$ 35,562.	\$ 35,562.		
Total	<u>\$ 35,562.</u>	<u>\$ 35,562.</u>		<u>\$ 0.</u>

Statement 3
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Federal Excise Tax	\$ 17,386.			
Foreign Tax	5,830.	\$ 5,830.		
Total	<u>\$ 23,216.</u>	<u>\$ 5,830.</u>		<u>\$ 0.</u>

Statement 4
Form 990-PF, Part I, Line 23
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Bank charges	\$ 259.	\$ 259.		
Dues and subscriptions	577.			\$ 577.
Grant administration/monitoring	1,307.			1,307.
Payroll processing	1,251.	63.		1,188.
Total	<u>\$ 3,394.</u>	<u>\$ 322.</u>		<u>\$ 3,072.</u>

The Powell Foundation

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Statement 5
Form 990-PF, Part II, Line 10a
Investments - U.S. and State Government Obligations

<u>U.S. Government Obligations</u>	<u>Valuation Method</u>	<u>Book Value</u>	<u>Fair Market Value</u>
US Treasury Bonds - See attachment (p.1)	Mkt Val	\$ 99,654.	\$ 99,654.
Fed. Agency Bds - See attachment (p.1)	Mkt Val	212,206.	212,206.
		\$ 311,860.	\$ 311,860.
	Total	\$ 311,860.	\$ 311,860.

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

<u>Corporate Stocks</u>	<u>Valuation Method</u>	<u>Book Value</u>	<u>Fair Market Value</u>
Corporate Stock - See attachment (p.2-5)	Mkt Val	\$ 15,020,656.	\$ 15,020,656.
Vanguard Total Int'l Stock Index	Mkt Val	4,073,259.	4,073,259.
Vanguard Mid-Cap Index Signal	Mkt Val	2,300,975.	2,300,975.
	Total	\$ 21,394,890.	\$ 21,394,890.

Statement 7
Form 990-PF, Part II, Line 10c
Investments - Corporate Bonds

<u>Corporate Bonds</u>	<u>Valuation Method</u>	<u>Book Value</u>	<u>Fair Market Value</u>
Corporate Bonds - See attachment (p.1)	Mkt Val	\$ 171,168.	\$ 171,168.
	Total	\$ 171,168.	\$ 171,168.

Statement 8
Form 990-PF, Part II, Line 14
Land, Buildings, and Equipment

<u>Category</u>	<u>Basis</u>	<u>Accum. Deprec.</u>	<u>Book Value</u>	<u>Fair Market Value</u>
Machinery and Equipment	\$ 4,335.	\$ 4,335.	\$ 0.	\$ 0.
Total	\$ 4,335.	\$ 4,335.	\$ 0.	\$ 0.

The Powell Foundation

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Statement 9
Form 990-PF, Part III, Line 3
Other Increases

Increase in value of securities

Total \$ 1,891,024.
1,891,024.

Statement 10
Form 990-PF, Part VIII, Line 1
List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compen- sation</u>	<u>Contri- bution to EBP & DC</u>	<u>Expense Account/ Other</u>
Kitty King Powell 2121 San Felipe, Ste 110 Houston, TX 77019	Founding Dir. 1.00	\$ 0.	\$ 0.	\$ 0.
Nancy Powell Moore 2121 San Felipe, Ste 110 Houston, TX 77019	Pres/Treas/Dir. 3.00	3,299.	0.	0.
Ben H. Powell, V 2121 San Felipe, Ste 110 Houston, TX 77019	Vice Pres/Dir 2.00	0.	0.	0.
Albert S. Tabor 2121 San Felipe, Ste 110 Houston, TX 77019	VP/Sec/Dir. 2.00	0.	0.	0.
Marian P. Harrison 2121 San Felipe, Ste 110 Houston, TX 77019	Director 1.00	0.	0.	0.
Katherine P. Hill 2121 San Felipe, Ste 110 Houston, TX 77019	Director 1.00	0.	0.	0.
Marian M. Casey 2121 San Felipe, Ste 110 Houston, TX 77019	Director 1.00	0.	0.	0.
Katherine Osborne Valdez 2121 San Felipe, Ste 110 Houston, TX 77019	Director 1.00	0.	0.	0.
Ben H. Powell VI 2121 San Felipe, Ste 110 Houston, TX 77019	Director 1.00	0.	0.	0.
Caroline Sabin 2121 San Felipe, Ste 110 Houston, TX 77019	Executive Direc 40.00	124,967.	3,749.	0.
Total		\$ <u>128,266.</u>	\$ <u>3,749.</u>	\$ <u>0.</u>

The Powell Foundation

74-6104592

Statement 11
Form 990-PF, Part XV, Line 2a-d
Application Submission Information

Name of Grant Program:
 Name: Caroline Sabin
 Care Of: The Powell Foundation
 Street Address: 2121 San Felipe, Suite 110
 City, State, Zip Code: Houston, TX 77019
 Telephone: 713-523-7557
 Form and Content: See attachment as well as the Foundation's website
 (www.powellfoundation.org) for application and guidelines.
 Submission Deadlines: None
 Restrictions on Awards: See attachment and website.

Statement 12
Form 990-PF, Part XV, Line 3b
Recipient Approved for Future Payment

<u>Name and Address</u>	<u>Donee Relationship</u>	<u>Found- ation Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
Collaborative For Children 3800 Buffalo Spdwy, Ste 300 Houston, TX 77098	N/A	509a2	Neighborhood pre-school initiative	\$ 40,000.
Houston Ballet Foundation PO Box 130487 Houston, TX 77219	N/A	509(a) (1)	Capital Grant	20,000.
Colonial Dames of America 10515 Egret Ln Dallas, TX 75230	N/A	509(a) (2)	General Support	10,000.
Total				\$ <u>70,000.</u>

 FAYEZ SARGELM & CO.

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Powell Foundation PAGE 2

	PURCHASE COST	CURRENT PRICE	MARKET VALUE	% OF PORTFOLIO**	YTM/ DIVIDEND	INDICATED CURRENT INCOME	CURRENT YIELD
FINANCIALS							
DIVERSIFIED FINANCIALS							
1,000 Franklin Resources Inc	93,847.80	111.210	111,210	0.7	1.000	1,000	0.9
10,000 JPMorgan Chase & Co.	234,531.31	42.420	424,200	2.7	.200	2,000	0.5
TOTAL DIVERSIFIED FINANCIALS	318,369.11		535,410	3.5		3,000	0.6
CONSUMER DISCRETIONARY							
CONSUMER SERVICES							
5,000 McDonalds Corp	301,688.90	76.760	383,800	2.5	2.440	12,200	3.2
MEDIA							
4,400 McGraw-Hill Inc	199,365.00	36.410	160,204	1.0	.940	4,136	2.6
RETAILING							
3,900 Home Depot Inc	162,150.98	35.060	136,734	0.9	.945	3,686	2.7
2,500 Target Corp	147,776.00	60.130	150,325	1.0	1.000	2,500	1.7
TOTAL RETAILING	309,926.98		287,059	1.9		6,186	2.2
TOTAL CONSUMER DISCRETIONARY	810,980.88		831,063	5.4		22,532	2.7
CONSUMER STAPLES							
FOOD & STAPLES RETAILING							
3,900 Sysco Corp	127,639.98	29.400	114,660	0.7	1.040	4,056	3.5
3,000 Wal-Mart Stores Inc	149,036.00	53.930	161,790	1.0	1.210	3,630	2.2
10,700 Walgreen Co	90,149.69	38.960	416,872	2.7	.700	7,490	1.8
TOTAL FOOD & STAPLES RETAILING	366,825.67		693,322	4.5		15,176	2.2
FOOD BEVERAGE & TOBACCO							
17,500 Altria Group Inc.	54,634.14	24.620	430,850	2.8	1.520	26,600	6.2
22,890 Coca-Cola Co	209,894.02	65.770	1,505,475	9.7	1.760	40,286	2.7
9,250 Nestle Sponsored ADR	215,866.22	58.738	543,329	3.5	1.490*	13,783	2.5

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FAYEZ SAROFIM & CO.
PORTFOLIO CONSULTANTS

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PORTFOLIO APPRAISAL
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	PURCHASE COST	CURRENT MARKET PRICE	VALUE	% OF PORTFOLIO**	YTM/ DIVIDEND	INDICATED CURRENT INCOME	CURRENT YIELD
5,800 PepsiCo Inc	56,896.56	65.330	378,914	2.4	1.920	11,136	2.9
17,500 Philip Morris Int'l Inc.	124,494.18	58.530	1,024,275	6.6	2.560	44,800	4.4
TOTAL FOOD BEVERAGE & TOBACCO	661,785.12		3,882,843	25.0		136,605	3.5
HOUSEHOLD & PERSONAL PRODUCTS							
13,090 Procter & Gamble	119,977.99	64.330	842,080	5.4	1.927	25,224	3.0
TOTAL CONSUMER STAPLES	1,149,588.78		5,418,245	36.9		177,005	3.3
HEALTH CARE							
HEALTH CARE EQUIPMENT & SERVICES							
1,700 Becton Dickinson	119,033.51	84.520	143,684	0.9	1.640	2,788	1.9
300 Intuitive Surgical Inc.	81,641.00	257.750	77,325	0.5	---		
2,000 Medtronic Inc	113,870.20	37.090	74,180	0.5	.900	1,800	2.4
TOTAL HEALTH CARE EQUIPMENT & SERVICES	314,544.71		295,189	1.9		4,588	1.6
PHARMACEUTICALS AND BIOTECHNOLOGY							
7,700 Abbott Laboratories	60,172.15	47.910	368,907	2.4	1.760	13,552	3.7
11,000 Johnson & Johnson	129,724.01	61.850	680,350	4.4	2.160	23,760	3.5
5,000 Merck & Co., Inc.	97,006.68	36.040	180,200	1.2	1.520	7,600	4.2
2,000 Novo-Nordisk A S ADR	104,475.00	112.570	225,140	1.5	.979*	1,958	0.9
9,120 Pfizer Inc	63,390.77	17.510	159,691	1.0	.800	7,296	4.6
3,500 Roche Holding AG ADR	123,922.05	36.745	128,608	0.8	1.160*	4,060	3.2
Sponsored ADR(non-voting)							
TOTAL PHARMACEUTICALS AND BIOTECHNOLOGY	578,690.66		1,742,896	11.2		58,226	3.3
TOTAL HEALTH CARE	893,235.37		2,038,085	13.1		62,814	3.1
ENERGY							
6,700 Chevron Corp.	277,829.87	91.250	611,375	3.9	2.880	19,296	3.2
5,500 ConocoPhillips	272,508.50	68.100	374,550	2.4	2.200	12,100	3.2

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INVESTMENT COUNSELLORS

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PORTFOLIO APPRAISAL
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	PURCHASE COST	CURRENT PRICE	MARKET VALUE	% OF PORTFOLIO**	YTM/ DIVIDEND	INDICATED CURRENT INCOME	CURRENT YIELD
14,860 Exxon Mobil Corp	346,961.35	73.120	1,086,563	7.0	1.760	26,154	2.4
4,450 Halliburton Co	151,803.30	40.830	181,694	1.2	.360	1,602	0.9
3,200 Occidental Petroleum Corp	128,075.40	98.100	313,920	2.0	1.840	5,888	1.9
5,200 Royal Dutch Shell plc ADR	281,290.75	66.780	347,256	2.2	2.856*	14,851	4.3
6,500 Total S A ADR	367,355.26	53.480	347,620	2.2	2.483*	16,140	4.6
TOTAL ENERGY	1,825,824.43		3,262,978	21.0		96,031	2.9
INFORMATION TECHNOLOGY							
SOFTWARE & SERVICES							
3,100 Automatic Data Processing	131,029.14	46.280	143,468	0.9	1.440	4,464	3.1
3,000 Microsoft Corp	80,280.00	27.910	83,730	0.5	.640	1,920	2.3
TOTAL SOFTWARE & SERVICES	211,309.14		227,198	1.5		6,384	2.8
TECHNOLOGY HARDWARE & EQUIPMENT							
1,400 Apple Inc.	250,973.00	322.560	451,584	2.9	---		
8,500 Cisco Systems Inc	259,077.00	20.230	171,955	1.1	---		
2,000 Intl Business Machines	268,595.98	146.760	293,520	1.9	2.600	5,200	1.8
TOTAL TECHNOLOGY HARDWARE & EQUIPMENT	778,645.98		917,059	5.9		5,200	0.6
SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT							
15,800 Intel Corporation	556,243.75	21.030	332,274	2.1	.630	9,954	3.0
7,000 Texas Instruments	240,311.00	32.500	227,500	1.5	.520	3,640	1.6
TOTAL SEMICONDUCTORS & SEMICONDUCTOR EQU	796,554.75		559,774	3.6		13,594	2.4
TOTAL INFORMATION TECHNOLOGY	1,786,509.87		1,704,031	11.0		25,178	1.5
INDUSTRIALS							
CAPITAL GOODS							
1,500 Caterpillar Inc	103,531.95	93.660	140,490	0.9	1.760	2,640	1.9
16,200 General Electric Co	96,250.01	18.290	296,298	1.9	.560	9,072	3.1

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INVESTMENT CONSULTING

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	PURCHASE COST	CURRENT MARKET PRICE	VALUE	% OF PORTFOLIO**	YTM/ DIVIDEND	INDICATED CURRENT INCOME	CURRENT YIELD
2,450 United Technologies Corp	149,166.54	78.720	192,864	1.2	1.700	4,165	2.2
150 US Ecology Inc.	2,244.48	17.380	2,607	---	.720	108	4.1
TOTAL COMMERCIAL SERVICES AND SUPPLIES	351,192.98		632,259	4.1		15,985	2.5
MATERIALS							
900 Air Products & Chemicals	79,221.96	90.950	81,855	0.5	1.960	1,764	2.2
1,500 Freeport McMoran Copper & Gold Inc (Class B)	164,639.25	120.090	180,135	1.2	2.000	3,000	1.7
2,700 Praxair Inc	132,421.98	95.470	257,769	1.7	1.800	4,860	1.9
1,100 Rio Tinto PLC Spon ADR	77,080.96	71.660	78,826	0.5	.885*	974	1.2
TOTAL MATERIALS	453,364.15		598,585	3.9		10,598	1.8
TOTAL EQUITIES	7,588,065.57		15,020,656	96.9		413,133	2.8
TOTAL PORTFOLIO	8,053,745.99		15,503,684	100.0		438,084	2.8

* - This dividend may be subject to foreign withholding tax
** - All discrepancies in totalling are due to rounding
Prices may differ from your custodian due to anomalies of extended trading hours.

Recent SEC changes in the custody rules for investment advisers require us to remind and strongly urge you to compare our account statements with those received from your custodian. Please notify us immediately if you find discrepancies.

Run Date: 01/10/2011 09:21

FAYEZ FARQUELM & CO.
INVESTMENT PROFESSIONALS

Powell Foundation Grants 2010

74-6104592

Organization Name and Address	Status	Purpose	Amount
ARTS			
Alley Theatre 615 Texas Avenue, Houston, TX 77002	509(a)(2)	For support of Alley's current educational programs	10,000.00
American Festival for the Arts 3311 Richmond, Ste 350, Houston, TX 77098	509(a)(1)	To support the AFA Scholarship/Enrichment Fund to provide need-based scholarships	5,000.00
DaCamera of Houston 1427 Branard, Houston, TX 77006	509(a)(1)	To support "Mentors in Music" and "Rhythm Residency" music educational programs	5,000.00
Houston Ballet Foundation 1921 W Bell, Houston, TX 77019	509(a)(1)	For support of the current artistic season and related educational outreach efforts	10,000.00
Houston Ballet Foundation 1921 W Bell, Houston, TX 77019	509(a)(1)	2nd year payment of a four year Capital Grant pledge (\$40,000)	10,000.00
Houston Grand Opera Association 510 Preston, Houston, TX 77002-1594	509(a)(2)	For support of the general operations for the upcoming season	10,000.00
Houston Symphony Society 615 Louisiana Street, Ste 102, Houston, TX 77002-2798	509(a)(2)	For the 2009-2010 artistic season	10,000 00
Lensic Performing Arts Center 211 West San Francisco St , Santa Fe, NM 87501	509(a)(1)	Trustee's Discretionary Grant for support of programs	2,000.00
Lensic Performing Arts Center 211 West San Francisco St , Santa Fe, NM 87501	509(a)(1)	Trustee's Matching Grant for support of programs	1,500.00
Museum of Fine Arts, /Glassell School of Art 5100 Montrose, Houston, TX 77006	509(a)(1)	To support the CORE Artist-in-Residence Program with scholarships to young adults	10,000 00
Musiq 3201 Allen Parkway, Ste 150, Houston, TX 77019	509(a)(1)	For support of the <i>Around the World with Musiq</i> educational program	5,000.00
Project Grad P O Box 15568, Houston, TX 77220	509(a)(1)	For continued support of the Fine Arts Program in elementary & middle schools	15,000.00
River Oaks Chamber Orchestra 1973 West Gray, Ste 3, Houston, TX 77019	509(a)(1)	Trustee's Matching Grant for support of programs	300.00
Shakespeare Globe Centre Southwest, Inc Drama Dept, U of H, Houston, TX 77204-5071	509(a)(1)	To support the free tour performances in area schools and the residency programs	5,000.00
SITE Santa Fe 1606 Paseo de Peral, Santa Fe, NM 87501	509(a)(1)	Trustee's Matching Grant for current art programs	2,500 00
Theatre Under The Stars 800 Bagby, Suite 200, Houston, TX 77002	509(a)(1)	For continuation and expansion of the education and community outreach programs	5,000.00
Young Audiences of Houston 1800 St James Place, Suite 600, Houston, TX 77056	509(a)(1)	Support of the Assistance Fund to subsidize critically underprivileged, at-risk schools and community groups	5,000.00
TOTAL ARTS			111,300.00
CONSERVATION			
Buffalo Bayou Partnership 1113 Vine, Ste 200, Houston, TX 77002	509(a)(1)	To support the changes along the historic bayou in accordance with the BBP's masterplan	10,000.00
Buffalo Bayou Partnership 1113 Vine, Ste. 200, Houston, TX 77002	509(a)(1)	Trustee's Discretionary Grant to support the programs of the partnership	1,000.00
Environmental Defense Fund 44 East Ave., Ste 304, Austin, TX 78701	509(a)(1)	For support of Clean Air and Climate Change Plan for Houston	10,000.00
Friends of the Virgin Island National Park P O Box 811, St John, Virgin Islands 00831	509(a)(1)	Trustee's Discretionary Grant for support of scholarships for students studying natural sciences at the university level	1,000.00
Hermann Park Conservancy 6201-A Golf Course Drive, Houston, TX	509(a)(1)	For support of the projects to protect the integrity of Hermann Park	5,000.00
Houston Arboretum and Nature Center 4501 Woodway Dr , Houston, TX 77024	509(a)(1)	Support of Whole School Visit educational program	5,000 00

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Houston Audubon Society 440 Wilchester, Houston, TX 77079	509(a)(2)	For the environmental educational programs at the Sims Bayou Urban Nature Center for Title I Schools	5,000.00
Houston Audubon Society 440 Wilchester Blvd, Houston, TX 77079	509(a)(2)	Trustee's Matching Grant for support of programs	1,000.00
Memorial Park Conservancy P O Box 131024, Houston, TX 77219	509(a)(1)	Support of Memorial Park Conservancy Forestry Conservation and Management Plan	5,000.00
National Parks Conservation Association 1300 19th Street, Ste 300, Washington, DC 20036	509(a)(1)	Trustee's Discretionary Grant to support and protect the national parks	1,000.00
Pickle, J.J., Elementary School (AISD) 1101 Wheatley Ave, Austin, TX 78752	School	For 3 exploratory science camps fifth graders at Bamberger Ranch Preserve	11,500.00
River Oaks Foundation, Inc 3923 San Felipe, Houston, TX 77027	509(a)(1)	Trustee's Match for Shepherd curve park construction	500.00
SPARK P O Box 1562, Houston, TX 77251	509(a)(1)	For construction of new parks and the "re-sparking" of existing parks at schools	5,000.00
Travis Audubon Society 3710 Cedar Sstreet, Box 5, Austin, TX 78705	509(a)(2)	For education and outreach programs to educate Central Texas on need to protect and restore environment	5,000.00
Trust for Public Land 816 Congress Ave, Ste 1680, Austin, TX 78701	509(a)(1)	General operations to preserve land, create and expand public parks and safeguard watersheds and natural habitats	5,000.00
Urban Harvest 1900 Kane St, P O Box 980460, Houston, TX 77098	509(a)(1)	Support of gardening programs to address hunger and neighborhood education	7,500.00
Westcave Preserve 24814 Hamilton Pool Rd, Round Mountain, TX 78663	509(a)(1)	To support Environmental Education Programs in the Texas Hill Country	5,000.00
Woods Project, The 6 Sleepy Oaks, Houston, TX 77024	509(a)(1)	Support of high school outward bound program for at-risks youth outdoors	5,000.00
TOTAL CONSERVATION			88,500.00
EDUCATION			
Academy of Sacred Heart 1821 Academy Rd, Grand Coteau, LA, 70541	School	Trustee's Matching Grant for support of programs	1,275.00
American Leadership Forum 3101 Richmond Avenue, Ste 140, Houston, TX 77098	509(a)(1)	Trustee's Discretionary Grant to support the Class Project at George Sanchez Charter School	1,000.00
Amistad Mission 55 Scott Street, Buford, GA 30518	509(a)(1)	Trustee's Discretionary Grant to provide educational support for Casa Amanacer in Bolivia	1,000.00
Austin YMBL Sunshine Camps P O Box 684980, Austin, TX 78768	509(a)(1)	For support of the YMBL Sunrise and Leadership Programs	5,000.00
Big Brothers Big Sisters of Greater Houston 6437 High Star Drive, Houston, TX 77074	509(a)(1)	For the after-school programming	5,000.00
Boys and Girls Clubs of Austin Area 5407 N IH35, Suite 400, Austin, TX 78723	509(a)(1)	To support the Power Hour -school and apartment housing based afterschool program	5,000.00
Boys and Girls Clubs of Greater Houston 1520-A Airline Drive, Houston, TX 77009	509(a)(1)	To support the Power Hour Homework Assistance Program for at-risk children in Houston	7,500.00
Breakthrough Austin 1 University Station G6000, Austin, TX 78712	509(a)(1)	To fund the program for low-income students to help make college attainable	10,000.00
Breakthrough Houston (St. John's School) 2401 Claremont Lane, Houston, TX 77019	School	Support of programs that prepares low-income students for college	10,000.00
Camp Allen -The Episcopal Diocese of Texas 18800 FM 362, Navasota, TX 77868	509(a)(1)	To send 100 disadvantaged, public school students to the Discovery Program	5,000.00
Capitol Hill Cluster School PTA 420 12th Street SE, Washington, DC 20003	School	Trustee's Discretionary Grant for support of school grants programs	2,000.00
Centre College 600 West Walnut Street, Danville, KY 40422	School	Trustee's Matching Grant for support of programs	1,575.00
Children's Center P O Box 180159, Dallas, TX 75218	509(a)(2)	Trustee's Discretionary Grant for school supplies for classroom	1,000.00
Children's Museum, Inc 1500 Binz, Houston, TX 77004	509(a)(1)	For support of the Family Literacy Involvement Program	10,000.00
Citizen Schools 2503 Robinhood, Suite 100, Houston TX 77005	509(a)(1)	To deepen and expand high-quality, high-impact after-school programs - Extended Learning Times	20,000.00

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Citizen Schools 2503 Robinhood, Suite 100, Houston TX 77005	509(a)(1)	Trustee's Discretionary Grant for support of educational programs	1,000.00
Collaborative for Children 3800 Buffalo Speedway, Ste 300, Houston, Texas 77098	509(a)(2)	For support of the "College Bound-Beginning at Birth" initiative. First of 3yr pledge	20,000.00
College Forward / Admission Control P O. Box 142308, Austin, TX 78714	509(a)(1)	To support programs focusing on getting disadvantaged students to attend college	10,000.00
Communities in Schools Houston 2105 W. 18th Street, Suite 100, Houston, TX 77008	509(a)(1)	To provide program support for students at Booker T Washington High School and Burrus Elem. for current year	15,000.00
Dartmouth College Office of Gift Recording, Hanover, NH 03755-2047	School	Trustee's Matching Grant for General Fund & Thayer School	1,250.00
Developments in Literacy 12062 Valley View St., #218, Garden Grove, CA 92845	509(a)(1)	Trustee's Matching Grant for support of programs for literacy	500.00
Genesys Works, Inc 601 Jefferson, Suite 3760, Houston, TX 77002	509(a)(1)	Funding to serve more students in Houston through their innovative technical training/internship program	20,000.00
HISD Foundation 4400 West 18th Street, # 3NE28, Houston, TX 77092	509(a)(1)	Trustee's Discretionary Grant for support of work done by the Foundation	1,000.00
Houston Advance Research Center 4800 Research Forest Drive, The Woodlands, TX 77381	509(a)(2)	Support for student/teacher internships to develop elementary science and math	15,000.00
Houston Museum of Natural Science One Hermann Circle Drive, Houston, TX 77030	509(a)(2)	Support of the annual fund for many outreach and educational programs	10,000.00
Houston Public Library Foundation 500 McKinney St., Houston, TX 77002	509(a)(1)	To support the Library's free literacy programs for ages birth through adult	10,000.00
KIPP: Houston 10711 KIPP Way, Houston, TX 77009	School	Trustee's Matching Grant for support of the programs of Charter School	1,000 00
KIPP: Houston 10711 KIPP Way, Houston, TX 77009	School	For support of the programs of Charter School	20,000.00
Lakehill Preparatory School 2720 Hillside Drive, Dallas, TX 75214-3428	School	Trustee's Discretionary Grant for support of programs	1,000.00
Literacy Advance of Houston 2424 Wilcrest Dr., Ste E, Houston, TX 77042	509(a)(2)	For continued operation of its free adult and family literacy programs in greater Houston	10,000 00
LSU Foundation 3838 W Lakeshore Drive, Baton Rouge, LA 70808	School	Trustee's Matching Grant for support of programs	100.00
Neighborhood Centers, Inc. P O Box 271389, Houston, TX 77277-1389	509(a)(1)	Trustee's Matching Grant for support of programs	500.00
Northwestern University 2020 Ridge Ave, Evanston, IL 60208	509(a)(1)	Trustee's Matching Grant for support of programs	1,000.00
Parents Alliance 1417 Houston St., Houston TX 7707	509(a)(1)	Support of programs for adult computer classes for Hispanic parents	5,000.00
Project YES, Inc 6201 Bonhomme, Ste 168N, Houston, TX 77036	School	Support of a Charter School that prepares inner-city students for successful matriculation to a four-year college	20,000 00
Pro-Vision, Inc 4422 Balkin, Houston, TX 77021	School	To help fund a Charter School for inner-city male students	10,000 00
Sam Houston State University 903 Bowers Blvd., Huntsville TX 77341	School	To conduct pilot program, Socrates in Schools at Huntsville's Mance Park Middle School	6,147.00
Stanford University 326 Galvez Street, Stanford, CA 94305-6105	School	Trustee's Matching Grant for support of programs	1,000.00
St. John's School 2401 Claremont, Houston, TX 77019	School	Trustee's Matching Grant for support of programs	500 00
Sunflower County Freedom Project P O Box 701, Sunflower, MS 38778	509(a)(1)	Trustee's Matching Grant for support of programs	100.00
Teach For America 4669 SW Fwy., Ste 600, Houston, TX 77027	509(a)(1)	Support of the recruitment & training of Houston teacher corps	25,000 00
Teach For America 4669 SW Fwy., Ste 600, Houston, TX 77027	509(a)(1)	Trustee's Matching Grant for support of educational programs to train Houston teacher corps	1,000.00
Texas Institute for Education Reform, 1209 Nueces St., Austin, TX 78701	509(a)(1)	Support of the TIER's educational outreach initiative	5,000.00
University of Arizona P O Box 210119, Tucson, AZ 85721-0119	School	Trustee's Discretionary Grant for support of Dept. of Aerospace and Mechanical Engineering	2,000 00

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Univ. of Houston Downtown -- Dept of Urban Education One Main St , Ste 990-S, Houston, TX 77002	School	Last of 3 year pledge for Faculty Development and Mentoring Program in Early Childhood Education	5,000.00
Univ. of Texas - at Austin Office of VP/Res.Dev. P O Box 7458, Austin, TX 78713-7458	School	Trustee's Matching Grant for School of Engineering and LBJ School	1,200.00
Vanderbilt University 309 Alumni Hall, Nashville, TN, 37240	School	Trustee's Matching Grant for School of Engineering	1,050.00
TOTAL EDUCATION			305,697.00
HEALTH			
American Red Cross of Greater Houston P O Box 397, Houston, TX 77001	509(a)(1)	Trustee's Matching Grant for the Haiti Relief and Development Effort	1,000.00
Baylor College of Medicine, Teen Health Clinic One Baylor Plaza, MS BCM 160, Houston, TX 77030	509(a)(1)	To continue support of the Teen Health Clinic at Lee High School	5,000.00
Bo's Place 10050 Buffalo Speedway, Houston, TX 77054	509(a)(1)	Trustee's Discretionary Grant for support of programs	1,000.00
Camp For All Foundation 10500 NW Freeway, Ste 220, Houston, TX 77092	509(a)(1)	Trustee's Matching Grant for support of programs	500.00
Cathedral Health & Outreach Ministries 1117 Texas Ave , Houston, TX 77002	509(a)(1)	For support of the Homeless Youth Street Outreach Project	5,000.00
Community of the Streets Outreach 3401 Fannin, Houston, TX 77004	509(a)(1)	Trustee's Discretionary Grant for support of programs	2,000.00
Community of the Streets Outreach 3401 Fannin, Houston, TX 77004	509(a)(1)	Trustee's Discretionary Grant for support of programs	2,000.00
DePelchin Children's Center 4950 Memorial Drive, Houston, TX 77007	509(a)(1)	For counseling services for underserved children in HISD's Frost Elementary school	10,000.00
Houston Area Parkinson Society 2700 Southwest Freeway, Ste 284, Houston, TX 77098	509(a)(1)	Trustee's Discretionary Grant for support of programs	1,000.00
Houston Compass 1117 Texas Ave, Houston, TX 77002	509(a)(1)	For support of programs to help disadvantage and homeless persons in Houston	5,000.00
Houston Food Bank 3811 Eastex Freeway, Houston, TX 77026	509(a)(1)	Trustee's Discretionary Grant for support of annual operations	2,000.00
Houston Food Bank 3811 Eastex Freeway, Houston, TX 77026	509(a)(1)	Trustee's Matching Grant for support of programs	1,000.00
Meals on Wheels and More 3227 East 5th Street, Austin, TX 78702	509(a)(1)	For the Meals for Kids program in low-income area of Austin, TX	5,000.00
Mental Health America of Greater Houston 2211 Norfolk, Houston, TX 77098	509(a)(1)	Trustee's Match for the Education and Training Programs	2,000.00
Planned Parenthood of Houston & SE Texas, Inc. 3601 Fannin, Houston TX 77004	509(a)(2)	To provide reproductive health care and education to many women, men and their families	10,000.00
Planned Parenthood Gulf Coast, Inc. 3601 Fannin, Houston TX 77004	509(a)(2)	Final payment of 3 Year Pledge (\$30,000) for Capital Campaign	10,000.00
Ronald McDonald House of Houston 1907 Holcombe Blvd., Houston TX 77030	509(a)(1)	Trustee's Discretionary Grant for support of annual operations	1,000.00
TOTAL HEALTH			63,500.00
OTHER			
Conference of Southwest Foundations 3102 Maple Avenue, Ste 260, Dallas, TX 75201	509(a)(2)	For general operations	1,000.00
National Society of Colonial Dames of America in Texas 2310 San Gabriel, Austin, TX 78705	509(a)(2)	2nd year payment of a 3 Year grant (\$30,000) to help restore the Neill-Cochran House in Austin, Texas	10,000.00
Philanthropy Roundtable 1150 17th Street, NW, # 503, Washington, D C 20036	509(a)(1)	For general operations	500.00
TOTAL OTHER			11,500.00
TOTAL FOR YEAR			580,497.00

Grant Application Guidelines

Grant Application Guidelines

- The requesting organization must be tax-exempt.
- The Powell Foundation operates on a calendar year and its Board meets twice a year in the spring and in the fall. Submission of proposals is required at least two months prior to a meeting for consideration at that meeting. To allow for optimum consideration and due diligence, those seeking grants are encouraged to apply to the foundation on an ongoing basis. Grants that do not make the deadline for one meeting will be carried forward to the next meeting.
- Each request must be in writing and should be accompanied by the proposal summary and the required list of attachments.
- The Powell Foundation's Directors must be persuaded that the requesting organization engages in sound financial planning and solid management practices. The Foundation reserves the right at any time to request information on the destination of funds granted.
- Normally, the Foundation will not consider requests for building funds or grant commitments extending into successive calendar years.
- The Foundation Directors are interested principally in grants to be spent in the Foundation's geographic areas of interest, i.e., Harris, Travis, or Walker Counties, Texas.
- Special consideration will be given to those requests addressing critical and/or basic needs and/or having timing of the essence.

The Foundation does not expect to support:

- Grants to religious organizations for religious purposes.
- Fund raising events or advertising.
- Grants to other private foundations.
- Grants to cover past operating deficits or debt retirement.
- Grants for support to individuals.
- Grants that impose the exercise of responsibility upon the Foundation. For example: private operating foundations or certain supporting organizations.

The Board of Directors has the responsibility for final approval of each grant. Since the Foundation receives funding requests far in excess of its funds available for grants, only a small portion of the requests received can be approved. A decision not to fund a proposal does not reflect on the merits of the applicant or the value of its proposal, but rather results from limited resources.

PLEASE SUBMIT GRANT REQUESTS TO:

Caroline J. Sabin, Executive Director
The Powell Foundation
2121 San Felipe, Suite 110
Houston, TX 77019

info@powellfoundation.org

Grant Application Guidelines

Required Proposal Attachments:

- A copy of your most recent IRS 990.
- A copy of your IRS tax-exempt letter as described in Section 501 (c) (3) of the Internal Revenue Code (the "Code") and evidence of its IRS status as a public (rather than private) entity under Section 509 (a) of the Code or government units described in Section 170 of the Code. **If your organization is classified as a 509 (a) (3) Supporting Organization we need to know what type you are: Type I, Type II or Type III with an explanation indicating why you are classified as such.**
- A statement signed by your executive officer that the IRS determination letter is current and has not been revoked.
- A current list of your organization's Board of Directors.
- A completed copy of The Powell Foundation's Nonprofit Governance and Financial Management Questionnaire along with your organization's most recent board minutes.
- A list of the previous and present year's funders including project, date and amount awarded.
- A copy of your current operating budget along with your organization's purpose and a summary of your activities.
- A copy of the line item budget of the proposed program/project.
- A list of community partners (excluding funders) for your organization & the specific program/project requested.
- A list of up to six measurable goals and targets to determine the impact of your organization, program or project during the period for which grant funds are requested to assist with evaluation.
- It is preferred that videos or large brochures not be submitted with proposals.

PLEASE SUBMIT GRANT REQUESTS BY MAIL TO:

Caroline J. Sabin, Executive Director
The Powell Foundation
2121 San Felipe, Suite 110
Houston, TX 77019

FOR ADDITIONAL INFORMATION:

info@powellfoundation.org