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Form **990-PF**Department of the Treasury
Internal Revenue Service**Return of Private Foundation**
or Section 4947(a)(1) Nonexempt Charitable Trust,
Treated as a Private Foundation

OMB No 1545-0052

2011

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

For calendar year 2011 or tax year beginning

, 2011, and ending

, 20

Name of foundation BETTY STIEREN KELSO FOUNDATION		A Employer identification number 74-2442790
Number and street (or P O box number if mail is not delivered to street address)	Room/suite	B Telephone number (see instructions) (210) 822-2870
640 IVY LANE		
City or town, state, and ZIP code SAN ANTONIO, TX 78209		
G Check all that apply	<input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change	<input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		C If exemption application is pending, check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 4,522,169.		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

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 instructions))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received (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				
4 Dividends and interest from securities	123,228.	123,228.		ATCH 1
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	563,946.			
b Gross sales price for all assets on line 6a	3,192,181.			
7 Capital gain net income (from Part IV, line 2)		563,946.		
8 Net short-term capital gain				
9 Income modifications				
10 a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)	17,422.	17,422.		ATCH 2
12 Total. Add lines 1 through 11	704,596.	704,596.		
13 Compensation of officers, directors, trustees, etc.	0			
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)				
b Accounting fees (attach schedule) ATCH 3	19,010.	9,505.		9,505.
c Other professional fees (attach schedule) *	42,250.	42,250.		
17 Interest				
18 Taxes (attach schedule) (see instructions) **	9,188.	4,671.		
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) ATCH 6	11,122.	10,993.		
24 Total operating and administrative expenses. Add lines 13 through 23	81,570.	67,419.		9,505.
25 Contributions, gifts, grants paid	290,688.			290,688.
26 Total expenses and disbursements. Add lines 24 and 25	372,258.	67,419.	0	300,193.
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	332,338.			
b Net investment income (if negative, enter -0-)		637,177.		
c Adjusted net income (if negative, enter -0-)				

For Paperwork Reduction Act Notice, see instructions.

*ATCH 4 JSA ** ATCH 5

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash - non-interest-bearing				
	2	Savings and temporary cash investments	252,551.	138,906.	138,906.	
	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 instructions)				
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges	3,070.	4,657.	4,657.	
	10 a	Investments - U S and state government obligations (attach schedule) .				
	b	Investments - corporate stock (attach schedule) ATCH 7	2,587,700.	2,433,784.	2,569,454.	
	c	Investments - corporate bonds (attach schedule) ATCH 8	608,265.	556,410.	529,778.	
	11	Investments - land, buildings, and equipment basis Less accumulated depreciation (attach schedule) ▶				
	12	Investments - mortgage loans				
	13	Investments - other (attach schedule) ATCH 9	485,027.	1,138,603.	1,279,243.	
	14	Land, buildings, and equipment basis Less accumulated depreciation (attach schedule) ▶				
15	Other assets (describe ▶ ATCH 10)	3,540.	131.	131.		
16	Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	3,940,153.	4,272,491.	4,522,169.		
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons .				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶)				
	23	Total liabilities (add lines 17 through 22)	0	0		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <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 and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>					
	27	Capital stock, trust principal, or current funds	3,150,789.	3,150,789.		
	28	Paid-in or capital surplus, or land, bldg, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds . .	789,364.	1,121,702.		
	30	Total net assets or fund balances (see instructions)	3,940,153.	4,272,491.		
31	Total liabilities and net assets/fund balances (see instructions)	3,940,153.	4,272,491.			

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	3,940,153.
2	Enter amount from Part I, line 27a	2	332,338.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	4,272,491.
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	4,272,491.

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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 SEE PART IV SCHEDULE					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) 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	563,946.	
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 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 (col. (b) divided by col. (c))
2010	230,572.	4,504,964.	0.051182
2009	118,942.	3,657,728.	0.032518
2008	162,117.	3,124,257.	0.051890
2007	211,972.	3,554,851.	0.059629
2006	192,130.	3,404,422.	0.056435
2 Total of line 1, column (d)			2 0.251654
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 0.050331
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5			4 4,736,544.
5 Multiply line 4 by line 3			5 238,395.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 6,372.
7 Add lines 5 and 6			7 244,767.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions			8 300,193.

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary - see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	6,372.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	
3 Add lines 1 and 2		3	6,372.
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	6,372.
6 Credits/Payments			
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a	1,697.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	13,000.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	14,697.	
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	8,325.	
11 Enter the amount of line 10 to be Credited to 2012 estimated tax <input checked="" type="checkbox"/> 8,325. Refunded <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
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 <input checked="" type="checkbox"/> \$ _____ (2) On foundation managers <input checked="" type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input checked="" type="checkbox"/> \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	X	
b If "Yes," has it filed a tax return on Form 990-T for this year?	X	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input checked="" type="checkbox"/> 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 2011 or the taxable year beginning in 2011 (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 make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address N/A				
14	The books are in care of SENDERO SECURITIES, LLC Telephone no 210-805-0171 Located at 7373 BROADWAY, SUITE 501 SAN ANTONIO, TX ZIP + 4 78209			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year 15			
16	At any time during calendar year 2011, 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?		
Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>		
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?		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 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If "Yes," list the years		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions)		
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b If "Yes," did it have excess business holdings in 2011 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 2011)		
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		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 2011?		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)?**5b**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?**6b**

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?**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 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
ATTACHMENT 11		0	0	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 ☐

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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 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 instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

	Amount
1 NONE	
2	
All other program-related investments See instructions	
3 NONE	
Total. Add lines 1 through 3 ▶	

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	4,605,183.
b	Average of monthly cash balances	1b	203,491.
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	4,808,674.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	4,808,674.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	72,130.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	4,736,544.
6	Minimum investment return. Enter 5% of line 5	6	236,827.

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	236,827.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	6,372.
b	Income tax for 2011 (This does not include the tax from Part VI)	2b	2,445.
c	Add lines 2a and 2b	2c	8,817.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	228,010.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	228,010.
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	228,010.

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	300,193.
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	300,193.
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	6,372.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	293,821.

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 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				228,010.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			128,010.	
b Total for prior years 20 09, 20 08, 20 07				
3 Excess distributions carryover, if any, to 2011				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f Total of lines 3a through e				
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ 300,193.				
a Applied to 2010, but not more than line 2a			128,010.	
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2011 distributable amount				172,183.
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2011, (if an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount - see instructions				
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				55,827.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a		0		
10 Analysis of line 9				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

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

NOT APPLICABLE

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 2011, 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) ⁴

	Tax year	Prior 3 years			(e) Total
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	
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					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see 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))

MRS. BETTY KELSO

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

NONE

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

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

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

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

<div>Recipient</div> <div>Name and address (home or business)</div>	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a <i>Paid during the year</i> ATTACHMENT 12				
Total			▶ 3a	290,688.
b <i>Approved for future payment</i>				
Total			▶ 3b	

Enter gross amounts unless otherwise indicated

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

Line No.	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)
▼	

[illegible]

FORM 990-PF - PART IV**CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
392,590.		SALE OF PUBLICLY TRADED SECURITIES PROPERTY TYPE: SECURITIES 343,819.				P	VARIOUS 48,771.	VARIOUS
1,059,414.		SALE OF PUBLICLY TRADED SECURITIES PROPERTY TYPE: SECURITIES 667,369.				P	VARIOUS 392,045.	VARIOUS
138,829.		SALE OF PUBLICLY TRADED SECURITIES PROPERTY TYPE: SECURITIES 167,203.				P	VARIOUS -28,374.	VARIOUS
436,957.		SALE OF PUBLICLY TRADED SECURITIES PROPERTY TYPE: SECURITIES 350,614.				P	VARIOUS 86,343.	VARIOUS
43.		CASH IN LIEU PROPERTY TYPE: SECURITIES				P	VARIOUS 43.	VARIOUS
132,730.		SALE OF PUBLICLY TRADED SECURITIES PROPERTY TYPE: SECURITIES 143,472.				P	VARIOUS -10,742.	VARIOUS
15,653.		SALE OF PUBLICLY TRADED SECURITIES PROPERTY TYPE: SECURITIES 11,923.				P	VARIOUS 3,730.	VARIOUS
61,804.		SALE OF PUBLICLY TRADED SECURITIES PROPERTY TYPE: SECURITIES 77,658.				P	VARIOUS -15,854.	VARIOUS
99,196.		SALE OF PUBLICLY TRADED SECURITIES PROPERTY TYPE: SECURITIES 31,968.				P	VARIOUS 67,228.	VARIOUS
1,999.		SALE OF PUBLICLY TRADED SECURITIES PROPERTY TYPE: SECURITIES 8,361.				P	VARIOUS -6,362.	VARIOUS
58,256.		SALE OF PUBLICLY TRADED SECURITIES PROPERTY TYPE: SECURITIES 82,090.				P	VARIOUS -23,834.	VARIOUS
119,138.		SALE OF PUBLICLY TRADED SECURITIES PROPERTY TYPE: SECURITIES 108,109.				P	VARIOUS 11,029.	VARIOUS

FORM 990-PF - PART IV**CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
180,863.		SALE OF PUBLICLY TRADED SECURITIES PROPERTY TYPE: SECURITIES 138,316.				P	VARIOUS 42,547.	VARIOUS
142,682.		SALE OF PUBLICLY TRADED SECURITIES PROPERTY TYPE: SECURITIES 156,442.				P	VARIOUS -13,760.	VARIOUS
348,656.		SALE OF PUBLICLY TRADED SECURITIES PROPERTY TYPE: SECURITIES 340,707.				P	VARIOUS 7,949.	VARIOUS
45.		CASH IN LIEU PROPERTY TYPE: SECURITIES				P	VARIOUS 45.	VARIOUS
1,035.		CAPITAL GAIN DISTRIBUTIONS PROPERTY TYPE: SECURITIES				P	VARIOUS 1,035.	VARIOUS
		EAGLE INCOME APPRECIATION INVESTMENT PROPERTY TYPE: SECURITIES 184.				P	VARIOUS -184.	VARIOUS
2,291.		EAGLE INCOME APPRECIATION INVESTMENT PROPERTY TYPE: SECURITIES				P	VARIOUS 2,291.	VARIOUS
TOTAL GAIN(LOSS)							<u>563,946.</u>	

ATTACHMENT 1FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
EAGLE INCOME APPRECIATION II, LP	305.	305.
JP MORGAN CLEARING CORP (064)	2.	2.
JP MORGAN CLEARING CORP (394)	7,281.	7,281.
JP MORGAN CLEARING CORP (662)	13,506.	13,506.
JP MORGAN CLEARING CORP (663)	20,330.	20,330.
JP MORGAN CLEARING CORP (6791)	52,346.	52,346.
JP MORGAN CLEARING CORP (6791) -ACCD INT	-8,591.	-8,591.
JP MORGAN CLEARING CORP (6791) OID	1,919.	1,919.
JP MORGAN CLEARING CORP (6841)	12,793.	12,793.
JP MORGAN CLEARING CORP (152)	3,614.	3,614.
JP MORGAN CLEARING CORP (151)	3,340.	3,340.
JP MORGAN CLEARING CORP (153)	1,922.	1,922.
JP MORGAN CLEARING CORP (225)	3,866.	3,866.
EAGLE INCOME APPRECIATION II, LP	1,738.	1,738.
JP MORGAN CLEARING CORP (154)	8,856.	8,856.
JP MORGAN CLEARING CORP (6791)	1.	1.
TOTAL	<u>123,228.</u>	<u>123,228.</u>

ATTACHMENT 2

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
EAGLE INCOME APPRECIATION P/SHIP	17,422.	17,422.
TOTALS	17,422.	17,422.

ATTACHMENT 3

FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES ' PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
CARNEIRO, CHUMNEY, & CO.	19,010.	9,505.		9,505.
TOTALS	<u>19,010.</u>	<u>9,505.</u>		<u>9,505.</u>

ATTACHMENT 4

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
SENDERO SECURITIES LLC	42,250.	42,250.
TOTALS	<u>42,250.</u>	<u>42,250.</u>

ATTACHMENT 5

FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
EXCISE TAX	1,373.	
FOREIGN TAXES	4,671.	4,671.
INCOME TAX	3,144.	
TOTALS	<u>9,188.</u>	<u>4,671.</u>

ATTACHMENT 6

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INVESTMENT EXPENSES	10,666.	10,537.
ADR FESS	385.	385.
FILING FEES	25.	25.
BANK CHARGES	46.	46.
TOTALS	11,122.	10,993.

FORM 990PF, PART II - CORPORATE STOCKATTACHMENT 7

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
AXA-UAP-SPONSORED ADR (310)	5,709.	3,987.
ALLIANZ SE (560)	5,881.	5,303.
AKZO NOBEL NV-SPONSORED (145)	6,502.	7,004.
BANCO SANTANDER S A (615)	6,676.	4,625.
BHP BILLITON LTD (105)	7,862.	7,416.
CRH PLC (480)	12,669.	9,514.
CARREFOUR SA (725)	7,033.	3,248.
CANON INC (220)	8,363.	9,689.
DIAGEO PLC (130)	7,832.	11,365.
ENI S P A (195)	7,628.	8,048.
ERICSSON L M TEL CO (470)	7,017.	4,761.
FRANCE TELECOM (445)	10,543.	6,969.
GIVAUDAN SA (560)	9,776.	10,830.
GLAXOSMITHKLINE PLC (245)	10,954.	11,179.
IMPERIAL TOBACCO GROUP (135)	6,885.	10,171.
HSBC HOLDINGS PLC (167)	9,967.	6,363.
KAO CORP (335)	8,511.	9,112.
MITSUBISHI UFJ FINL (2140)	19,820.	8,967.
NOVARTIS AG (205)	10,677.	11,720.
NTT DOCOMO INC (405)	6,728.	7,432.
NINTENDO CO LTD (230)	7,622.	3,896.
NESTLE SA (192)	5,077.	11,080.
PETROLEO BRASILEIRO SA (330)	10,911.	8,201.
ROYAL DUTCH SHELL PLC (165)	9,499.	12,060.
REED ELSEVIER PLC (210)	6,685.	6,770.
ROCHE HOLDING LTD (290)	12,918.	12,340.
SANOFI AVENTIS (320)	12,344.	11,693.
SAP AKTIENGESSELLSCHAFT (150)	7,315.	7,943.
SYNGENTA AG (150)	5,276.	8,841.

FORM 990PF, PART II - CORPORATE STOCKATTACHMENT 7 (CONT'D)

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
SCHNEIDER ELECTRIC SA (655)	8,108.	6,884.
SECOM CO LTD-ADR (600)	7,111.	6,810.
TESCO PLC (455)	9,287.	8,572.
TEVA PHARMACEUTICAL (140)	7,228.	5,650.
TOTAL S A (175)	6,673.	8,944.
UNILEVER PLC (419)	9,966.	14,045.
WPP GROUP PLC (160)	9,396.	8,357.
AMERICAN FINANCIAL GROUP (371)	7,555.	13,686.
ASHLAND INC (341)	16,722.	19,492.
AT&T INC (319)	12,106.	9,647.
ACE LIMITED (240)	15,928.	16,829.
ARCHER DANIELS MIDLAND (804)	25,546.	22,994.
BAKER HUGHES INC (307)	15,712.	14,932.
CR BARD INC (179)	15,092.	15,305.
BRISTOL MYERS SQUIBB CO (663)	22,197.	23,364.
CANADIAN NATIONAL RAILWAY (91)	5,441.	7,149.
CIGNA CORP (424)	20,201.	17,808.
CHEVRON CORP (308)	5,290.	32,771.
COMCAST CORP (807)	11,997.	19,134.
CHUBB CORP (244)	11,121.	16,890.
DENBURY RESOURCES INC (976)	14,146.	14,738.
WALT DISNEY CO HOLDING (303)	8,397.	11,363.
EMC CORP-MASS (779)	8,619.	16,780.
EXXON MOBIL CORP (107)	7,349.	9,069.
ENSCO PLC (456)	23,192.	21,396.
EATON CORP (164)	14,705.	21,765.
FEDEX CORP (263)	22,751.	21,963.
FMC CORP NEW (294)	16,935.	25,296.
FOREST LABORATORIES INC (550)	17,279.	16,643.

FORM 990PF, PART II - CORPORATE STOCKATTACHMENT 7 (CONT'D)

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
GARMIN LTD (477)	16,686.	18,989.
ISHARES TRUST SMALLCAP (832)	43,020.	56,826.
HANCOCK HOLDING CO (723)	22,233.	23,114.
HONDA MOTOR CO LTD (542)	16,504.	16,558.
INTEL CORP (697)	14,574.	16,902.
INTERNATIONAL BUSINESS (150)	24,977.	27,582.
KRAFT FOODS INC (593)	20,656.	22,154.
LOWES COMPANIES INC (662)	14,293.	16,802.
MACYS INC (522)	16,641.	16,798.
NICE SYSTEMS LTD (354)	12,267.	12,195.
NOVARTIS AG (358)	19,298.	20,467.
NOVO NORDISK A/S ADR (129)	14,780.	14,869.
PERKINELMER INC (886)	19,369.	17,720.
PATTERSON-UTI ENERGY (1465)	24,054.	29,271.
ORACLE CORP (538)	12,390.	13,800.
QUALCOMM INC (171)	6,969.	9,354.
RAYMOND JAMES FIN INC (656)	10,779.	20,310.
SAP AG (403)	23,541.	21,339.
SELECT SECTOR SPDR AMEX (1644)	52,984.	59,151.
STANLEY BLACK AND DECKER (324)	22,083.	21,902.
STAPLES INC (1081)	15,988.	15,015.
SYSCO CORP (534)	15,165.	15,662.
3M COMPANY (248)	16,059.	20,269.
TIME WARNER INC (487)	14,967.	17,600.
TEXAS INSTRUMENTS INC (795)	19,996.	23,142.
TORCHMARK CORP (493)	14,140.	21,391.
TORONTO DOMINION BANK (219)	16,751.	16,383.
TYSON FOODS INC-CL A (577)	10,018.	11,909.
UNITEDHEALTH GROUP INC (468)	13,614.	23,718.

FORM 990PF, PART II - CORPORATE STOCKATTACHMENT 7 (CONT'D)

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
UNILEVER PLC (485)	13,651.	16,257.
VERIZON COMMUNICATIONS (450)	16,044.	18,054.
WAL-MART STORES INC (279)	15,585.	16,673.
ANSYS INC (316)	16,811.	18,100.
AMPHENOL CORP NEW CL A (513)	25,996.	23,285.
ABB LTD (554)	13,390.	10,432.
ACCENTURE PLC IRELAND (388)	21,687.	20,653.
APPLE INC (77)	19,238.	31,185.
CORE LABORATORIES NV (181)	18,184.	20,625.
CITRIX SYSTEMS (261)	19,226.	15,848.
COVANCE INC (428)	25,933.	19,568.
COSTCO WHOLESALE CORP (304)	23,146.	25,329.
COGNIZANT TECH SOLUTIONS (300)	23,773.	19,293.
COACH INC (458)	23,183.	27,956.
CANADIAN NAT RESOURCES (577)	26,043.	21,562.
DAVITA INC (320)	26,323.	24,259.
DANAHER CORP (494)	25,120.	23,238.
EXPRESS SCRIPTS INC (713)	37,481.	31,864.
FLUOR CORP NEW (517)	34,203.	25,979.
FMC TECHNOLOGIES INC (518)	23,133.	27,055.
FOSSIL INC (283)	26,335.	22,459.
GOOGLE INC (66)	38,154.	42,629.
GENPACT LTD (918)	14,240.	13,724.
INTUITIVE SURGICAL INC (56)	20,552.	25,929.
IDEXX LABORATORIES CORP (255)	19,665.	19,625.
MASTERCARD INC (73)	19,162.	27,216.
MEAD JOHNSON NUTRITION (237)	14,037.	16,289.
NETAPP INC (576)	26,266.	20,892.
NATIONAL INSTRUMENT CORP (731)	21,201.	18,969.

FORM 990PF, PART II - CORPORATE STOCKATTACHMENT 7 (CONT'D)

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
QUALCOMM INC (511)	26,673.	27,952.
ROPER INDUSTRIES INC (287)	24,163.	24,932.
STERICYCLE INC (279)	24,893.	21,740.
SALESFORCE.COM INC (176)	21,729.	17,857.
SCHLUMBERGER LTD (427)	35,361.	29,168.
CHARLES SCHWAB CORP (1498)	26,365.	16,867.
AT&T INC (460)	14,028.	13,910.
ACE LIMITED (210)	14,443.	14,725.
AIR PRODUCTS & CHEM INC (140)	12,770.	11,927.
ALBEMARLE CORP (200)	10,735.	10,302.
BROWN & BROWN INC (530)	13,935.	11,994.
BAKER HUGHES INC (200)	13,405.	9,728.
CHEVRON CORP (140)	14,633.	14,896.
CARDINAL HEALTH INC (240)	9,623.	9,746.
CULLEN FROST BANKERS INC (230)	13,764.	12,169.
EXXON MOBIL CORP (200)	2,246.	16,952.
ENSCO PLC (150)	8,203.	7,038.
ENERGEN CORP (300)	12,115.	15,000.
GENERAL DYNAMICS CORP (200)	14,651.	13,282.
GENUINE PARTS CO (270)	14,583.	16,524.
W W GRAINGER INC (100)	14,172.	18,719.
GREIF INC (220)	14,111.	10,021.
ILLINOIS TOOL WORKS INC (270)	14,350.	12,612.
INTEL CORP (700)	13,930.	16,975.
INTERNATIONAL BUSINESS (90)	14,665.	16,549.
JOHNSON & JOHNSON (290)	8,245.	19,018.
ELI LILLY & CO (500)	17,096.	20,780.
LINEAR TECHNOLOGY CORP (430)	14,017.	12,913.
MERCK & CO INC (530)	17,764.	19,981.

FORM 990PF, PART II - CORPORATE STOCKATTACHMENT 7 (CONT'D)

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
PRICE T ROWE GROUP INC (200)	13,295.	11,390.
OMNICOM GROUP INC (290)	13,910.	12,928.
PARTNERRE LTD (170)	13,799.	10,916.
PAYCHEX INC (430)	13,815.	12,947.
PEPSICO INC (270)	10,342.	17,915.
PROCTOR & GAMBLE CO (230)	13,998.	15,343.
STRYKER CORP (250)	14,934.	12,428.
TARGET CORP (300)	15,110.	15,366.
TEVA PHARMACEUTICAL (300)	15,002.	12,108.
UNITED PARCEL SVC INC (200)	14,593.	14,638.
WOLVERINCE WORLD WIDE INC (400)	15,030.	14,256.
TOTALS	<u>2,433,784.</u>	<u>2,569,454.</u>

FORM 990PF, PART II - CORPORATE BONDSATTACHMENT 8

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
JA SOLAR HLDGS CO LTD (13000)	11,095.	9,555.
ENERGY CONV DEVICES INC (57000)	38,269.	26,790.
AMERICAN CAPITAL LTD (19000)	19,428.	19,193.
AMERICAN RAILCAR INDS (30000)	26,925.	30,000.
AMERICAN CASINO & ENTMT (33000)	31,967.	33,578.
ATP OIL & GAS CORP (39000)	36,246.	25,643.
HARBINGER GROUP INC (26000)	26,711.	25,415.
ITC DELTACOM INC (27000)	29,495.	27,608.
STANDARD PAC CORP NEW (30000)	33,450.	31,500.
HOVNANIAN K ENTERPRISES (34000)	35,489.	27,115.
CIT GROUP INC (35973)	29,762.	35,973.
HARRAHS OPERATING CO (31000)	32,595.	32,899.
NAVIOS MARITIME HLDGS (8000)	7,733.	7,610.
ICAHN ENTERPRISES LP (34000)	34,392.	35,360.
MGM RESORTS INTL (33000)	34,898.	36,300.
EXCO RES INC (17000)	17,298.	16,065.
PHI INC SR NT 8.625% (26000)	27,359.	26,065.
CRICKET COMMUNICATIONS (31000)	27,342.	27,125.
GM ACCEPTANCE CORP (31000)	26,970.	29,295.
SPRINT CAPITAL CORP (33000)	28,986.	26,689.
TOTALS	<u>556,410.</u>	<u>529,778.</u>

ATTACHMENT 9

FORM 990PF, PART II - OTHER INVESTMENTS

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
DUNDEEWEALTH FDS DYNAMIC(7383)	153,639.	140,957.
EAGLE INCOME APPREC II LP	345,933.	558,868.
ABERDEEN EMERG MKTS FD (10180)	212,432.	180,391.
HARDING LOEVNER FDS INC (29867	426,599.	399,027.
TOTALS	<u>1,138,603.</u>	<u>1,279,243.</u>

FORM 990PF, PART II - OTHER ASSETS

ATTACHMENT 10

DESCRIPTION

	ENDING BOOK VALUE	ENDING FMV
--	----------------------	---------------

ACCRUED INTEREST

131. 131.

TOTALS

131. 131.

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

ATTACHMENT 11

TITLE AND AVERAGE HOURS PER
WEEK DEVOTED TO POSITION

NAME AND ADDRESS

MRS BETTY KELSO	PRESIDENT	0	0	0
640 IVY LANE	.50			
SAN ANTONIO, TX 78209				

ROBERT KELSO	VICE-PRES	0	0	0
640 IVY LANE	.50			
SAN ANTONIO, TX 78209				

BARRY ROBERTS	SEC/TREAS	0	0	0
7373 BROADWAY SUITE 406	.10			
SAN ANTONIO, TX 78209				

GRAND TOTALS

FORM 990EF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEARATTACHMENT 12

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR

AND

RECIPIENT NAME AND ADDRESS	FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
ARMY HISTORICAL FOUNDATION 2425 WILSON BLVD ARLINGTON, VA 22201	N/A PUBLIC CHARITY	CHARITABLE	50,000.
CHARITY BALL ASSOCIATION P.O BOX 6708 SAN ANTONIO, TX 78209	N/A PUBLIC CHARITY	CHARITABLE	10,000.
CROSSPOINT, INC. 301 YUCCA SAN ANTONIO, TX 78203	N/A PUBLIC CHARITY	CHARITABLE	50,000.
GOOD SAMARITAN CENTER 1600 SALTILLO SAN ANTONIO, TX 78207	N/A PUBLIC CHARITY	CHARITABLE	15,000.
GOODWILL INDUSTRIES 406 W. COMMERCE SAN ANTONIO, TX 78207	N/A PUBLIC CHARITY	CHARITABLE	25,000.
GUIDE DOGS OF TEXAS 1503 ALLENA DRIVE SAN ANTONIO, TX 78213	N/A PUBLIC CHARITY	CHARITABLE	15,000.

FORM 990EF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEARATTACHMENT 12 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
	FOUNDATION	STATUS OF RECIPIENT		
HUMANE SOCIETY 4804 FREDERICKSBURG RD SAN ANTONIO, TX 78229	N/A	PUBLIC CHARITY	CHARITABLE	20,000.
LAS MISIONES P.O. BOX 7804 SAN ANTONIO, TX 78207	N/A	PUBLIC CHARITY	CHARITABLE	10,000.
SAN ANTONIO SYMPHONY 222 E. HOUSTON ST, STE 200 SAN ANTONIO, TX 78205	N/A	PUBLIC CHARITY	CHARITABLE	15,000.
SAN ANTONIO PUBLIC LIBRARY FOUNDATION 625 SHOOK AVENUE SAN ANTONIO, TX 78212	N/A	PUBLIC CHARITY	CHARITABLE	10,000.
SNIPSA INC P.O. BOX 185 SAN ANTONIO, TX 78209	N/A	PUBLIC CHARITY	CHARITABLE	1,000.
SOUTHWEST SCHOOL OF ART AND CRAFT 300 AUGUSTA STREET SAN ANTONIO, TX 78205	N/A	PUBLIC CHARITY	CHARITABLE	9,188.

FORM 990EFF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEARATTACHMENT 12 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
	FOUNDATION STATUS OF RECIPIENT			
ST MARYS UNIVERSITY ONE CAMINO SANTA MARIA SAN ANTONIO, TX 78228	N/A	PUBLIC CHARITY	SCHOLARSHIP	25,000.
TEXAS STATE HISTORICAL ASSOCIATION 1155 UNION CIRCLE #311580 DENTON, TX 76203	N/A	PUBLIC CHARITY	CHARITABLE	20,000.
UNITED COMMUNITIES OF SAN ANTONIO 3726 W CESAR E. CHAVEZ BLVD SAN ANTONIO, TX 78207	N/A	PUBLIC CHARITY	CHARITABLE	500.
UNITED WAY OF SAN ANTONIO/BEXAR CO 700 S ALAMO SAN ANTONIO, TX 78205	N/A	PUBLIC CHARITY	CHARITABLE	10,000.
YOUTH FOR CHRIST 5730 KENWICK ST. SAN ANTONIO, TX 78238	N/A	PUBLIC CHARITY	CHARITABLE	5,000.
TOTAL CONTRIBUTIONS PAID				290,688.

FORM 990-PF, PART XVI-A - ANALYSIS OF OTHER REVENUE

ATTACHMENT 13

<u>DESCRIPTION</u>	<u>BUSINESS CODE</u>	<u>AMOUNT</u>	<u>EXCLUSION CODE</u>	<u>AMOUNT</u>	<u>RELATED OR EXEMPT FUNCTION INCOME</u>
EAGLE INCOME APPRECIATION P/SHIP	900099	16,526.	14	896.	
TOTALS		<u>16,526.</u>		<u>896.</u>	