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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

2011Department of the Treasury
Internal Revenue Service

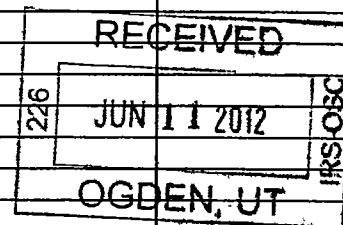
Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 2011 or tax year beginning

, and ending

Name of foundation SERAFY FOUNDATION		A Employer identification number 74-2861035
Number and street (or P O box number if mail is not delivered to street address) 205 WEST LEVEE	Room/suite	B Telephone number (956) 546-5315
City or town, state, and ZIP code BROWNSVILLE, TX 78520		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 8,686,439.	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)	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).)	(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	15,000.		N/A	
2 Check <input 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	64,218.	64,218.		
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	196,519.			
b Gross sales price for all assets on line 6a 267,174.				
7 Capital gain net income (from Part IV, line 2)		196,519.		
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 or (loss)				
11 Other income	309,158.	309,158.		
12 Total. Add lines 1 through 11	584,895.	569,895.		
13 Compensation of officers, directors, trustees, etc	0.	0.		0.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees STMT 1	4,630.	0.		0.
c Other professional fees				
17 Interest				
18 Taxes STMT 2	641.	641.		0.
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses STMT 3	146,265.	145,185.		0.
24 Total operating and administrative expenses. Add lines 13 through 23	151,536.	145,826.		0.
25 Contributions, gifts, grants paid	434,160.			434,160.
26 Total expenses and disbursements. Add lines 24 and 25	585,696.	145,826.		434,160.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-801.			
b Net investment income (if negative, enter -0-)		424,069.		
c Adjusted net income (if negative, enter -0-)			N/A	



STATEMENT 4

Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	318,827.	1,173,260.	1,173,260.
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶ 109,997.			
	Less: allowance for doubtful accounts ▶ 0.	109,997.	109,997.	109,997.
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations STMT 5	5,006.	146,414.	146,414.
	b Investments - corporate stock			
	c Investments - corporate bonds STMT 6	0.	91,783.	91,783.
11 Investments - land, buildings, and equipment: basis ▶				
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other STMT 7	3,999,194.	2,863,501.	2,863,501.	
14 Land, buildings, and equipment: basis ▶				
Less: accumulated depreciation ▶				
15 Other assets (describe ▶ STATEMENT 8)	4,554,885.	4,301,484.	4,301,484.	
16 Total assets (to be completed by all filers)	8,987,909.	8,686,439.	8,686,439.	
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			
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"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	8,987,909.	8,686,439.	
30 Total net assets or fund balances	8,987,909.	8,686,439.		
31 Total liabilities and net assets/fund balances	8,987,909.	8,686,439.		

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 8,987,909.
2 Enter amount from Part I, line 27a	2 -801.
3 Other increases not included in line 2 (itemize) ▶	3 0.
4 Add lines 1, 2, and 3	4 8,987,108.
5 Decreases not included in line 2 (itemize) ▶ UNREALIZED LOSS	5 300,669.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6 8,686,439.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a				
b SEE ATTACHED STATEMENT				
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 267,174.		70,655.	196,519.

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			196,519.

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	196,519.
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). If (loss), enter -0- in Part I, line 8		3	N/A

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 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	388,100.	8,706,358.	.044577
2009	17,000.	8,070,162.	.002107
2008	417,963.	7,241,030.	.057721
2007	267,229.	11,530,643.	.023176
2006	113,997.	2,642,246.	.043144

2 Total of line 1, column (d)	2	.170725
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	.034145
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	7,665,942.
5 Multiply line 4 by line 3	5	261,754.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	4,241.
7 Add lines 5 and 6	7	265,995.
8 Enter qualifying distributions from Part XII, line 4	8	434,160.

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 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	4,241.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0.
3	Add lines 1 and 2	3	4,241.
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	4,241.
6	Credits/Payments:		
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	5,741.
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	5,741.
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	1,500.
11	Enter the amount of line 10 to be: Credited to 2012 estimated tax <input checked="" type="checkbox"/> 1,500. Refunded <input type="checkbox"/>	11	0.

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 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. \$ 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
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?		
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) 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

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? Website address ► NONE	13	X	
14	The books are in care of ► NICHOLAS T. SERAFY JR. Telephone no. ► (956) 546-5313 Located at ► 205 WEST LEVEE ST. , BROWNSVILLE, TX ZIP+4 ► 78520			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year ► 15 N/A			
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? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►	16	Yes	No X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	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	N/A	
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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? If "Yes," list the years ►	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)	N/A	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ►		
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)	N/A	
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

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)? ☐ 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)?

N/A
▶ ☐

5b

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A ☐ 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

6b

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?

N/A

7b

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(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
NICHOLAS T. SERAFY JR. 205 WEST LEVEE ST BROWNSVILLE, TX 78520	TRUSTEE 0.00	0.	0.	0.

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

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.

Form 990-PF (2011)

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	2,929,950.
b	Average of monthly cash balances	1b	551,248.
c	Fair market value of all other assets	1c	4,301,484.
d	Total (add lines 1a, b, and c)	1d	7,782,682.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	7,782,682.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	116,740.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	7,665,942.
6	Minimum investment return. Enter 5% of line 5	6	383,297.

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	383,297.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	4,241.
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	4,241.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	379,056.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	379,056.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	379,056.

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	434,160.
b	Program-related investments - total from Part IX-B	1b	0.
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	434,160.
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	5	4,241.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	429,919.

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				379,056.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			433,726.	
b Total for prior years:		0.		
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	0.			
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ \$ 434,160.				
a Applied to 2010, but not more than line 2a			433,726.	
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 2011 distributable amount				434.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				378,622.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	0.			
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 XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
F C A 1801 S. MCCOLL RD. STE 300 MCALLEN, TX 78503	NONE	501(C)	GENERAL FUND	1,070.
THE TEXAS TRIBUNE 823 CONGRESS AVE. STE 210 AUSTIN, TX 78701	NONE	501(C)	GENERAL FUND	3,500.
THE MARIST BROTHERS P.O. BOX 413 WORTH, IL 60482	NONE	501(C)	GENERAL FUND	2,000.
UT FOUNDATION P.O. BOX 1078 SAN ANTONIO, TX 78294	NONE	501(C)	GENERAL FUND	12,500.
THE BARBARA BUSH FOUNDATION FOR FAMILY LITERACY P.O. BOX 131614 HOUSTON, TX 77219	NONE	501(C)	GENERAL FUND	5,000.
Total SEE CONTINUATION SHEET(S) ▶ 3a				434,160.
b Approved for future payment				
NONE				
Total ▶ 3b				0.

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

- | | | |
|--|-------|-----|
| <p>1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?</p> <p>a Transfers from the reporting foundation to a noncharitable exempt organization of:</p> <p>(1) Cash</p> <p>(2) Other assets</p> <p>b Other transactions:</p> <p>(1) Sales of assets to a noncharitable exempt organization</p> <p>(2) Purchases of assets from a noncharitable exempt organization</p> <p>(3) Rental of facilities, equipment, or other assets</p> <p>(4) Reimbursement arrangements</p> <p>(5) Loans or loan guarantees</p> <p>(6) Performance of services or membership or fundraising solicitations</p> <p>c Sharing of facilities, equipment, mailing lists, other assets, or paid employees</p> <p>d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.</p> | | Yes |
| | 1a(1) | |
| | 1a(2) | |
| | 1b(1) | |
| | 1b(2) | |
| | 1b(3) | |
| | 1b(4) | |
| | 1b(5) | |
| | 1b(6) | |
| | 1c | |

	Yes	No
1a(1)		X
1a(2)		X
1b(1)		X
1b(2)		X
1b(3)		X
1b(4)		X
1b(5)		X
1b(6)		X
1c		X

[illegible]

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

☐ Yes ☒ No

- b If "Yes," complete the following schedule.**

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

**Sign
Here**

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

Signature of officer or trustee

Date _____

► TRUSTEE

May the IRS discuss this return with the preparer shown below (see instr)?

☒ Yes ☐ No

**Paid
Preparer
Use Only**

Print/Type preparer's name

GREGG S MCCUMBER
CPA

Preparer's signature

Greg A. McLaughlin, ^{cap}

Date _____

6/6/12

Check ☒ self-employed

PTIN

P01379099

Firm's name ▶ **BURTON MCCUMBER & CORTEZ, L.L.P.**

Firm's EIN ▶ 74-2609610

Firm's address ► 1950 PAREDES LINE ROAD
BROWNSVILLE, TX 78521

Phone no. (956) 542-2553

Form **990-PF** (2011)

Schedule B(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No 1545-0047

2011

Name of the organization

Employer identification number

SERAFY FOUNDATION

74-2861035

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☐ 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 foundationCheck 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, total 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 total 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 its Form 990; or check the box on line H of its Form 990-EZ or on Part I, 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).

LHA 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) (2011)

Name of organization

Employer identification number

SERAFY FOUNDATION

74-2861035

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	THE BARBARA BUSH TEXAS FUND FOR FAMILY LITERACY 600 TRAVIS STREET #4200 HOUSTON, TX 77002-2929	\$ 15,000.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Employer identification number

74-2861035

Part II

(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
	_____ _____ _____	\$ _____	_____
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
	_____ _____ _____	\$ _____	_____

Name of organization

Employer identification number

SERAFY FOUNDATION

74-2861035

Part III

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

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(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

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

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
GUADALUPE REGIONAL 1214 E. LINCOLN ST. BROWNSVILLE, TX 78521	NONE	501(C)	GENERAL FUND	7,000.
ST JOHN NEUMANN CATHOLIC CHURCH 5455 BEE CAVE RD AUSTIN, TX 78746	NONE	501(C)	GENERAL FUND	600.
CPRIT FOUNDATION P.O. BOX 12631 AUSTIN, TX 78711	NONE	501(C)	GENERAL FUND	10,000.
INFANT AND FAMILY NUTRITION 1225 BOCA CHICA BLVD. BROWNSVILLE, TX 78520	NONE	501(C)	GENERAL FUND	1,000.
ST JOSEPH ACADEMY 101 SAINT JOSEPH DRIVE BROWNSVILLE, TX 78520	NONE	501(C)	GENERAL FUND	10,000.
IMMACULATE CONCEPTION CATHEDRAL P.O. BOX 311 BROWNSVILLE, TX 78520	NONE	501(C)	GENERAL FUND	20,000.
CHILDREN'S MUSEUM OF BROWNSVILLE 501 RINGGOLD STREET #5 BROWNSVILLE, TX 78520	NONE	501(C)	GENERAL FUND	32,500.
GIRL SCOUTS OF GREATER SOUTH TEXAS 202 E. MADISON HARLINGEN, TX 78550	NONE	501(C)	GENERAL FUND	1,500.
IDEA PUBLIC SCHOOLS 505 ANGELITTA DRIVE, SUITE 9 WESLACO, TX 78596	NONE	501(C)	GENERAL FUND	1,000.
TECH FOR AMERICA 1006 SOUTH 10TH STREET SUITE C MCALLEN, TX 78501	NONE	501(C)	GENERAL FUND	24,990.
Total from continuation sheets				410,090.

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

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
BOY SCOUTS OF AMERICA P.O. BOX 2424 HARLINGEN, TX 78551	NONE	501(C)	GENERAL FUND	2,000.
UNITED WAY OF SOUTHERN CAMERON COUNTY 634 E. LEVEE BROWNSVILLE, TX 78520	NONE	501(C)	GENERAL FUND	2,500.
SUNSHINE HAVEN 7105 W. LAKESIDE BLVD. OLMITO, TX 78575	NONE	501(C)	GENERAL FUND	6,000.
BROWNSVILLE HISTORICAL ASSOCIATION 1325 E. WASHINGTON ST. BROWNSVILLE, TX 78520	NONE	501(C)	GENERAL FUND	5,000.
COLLEGE OF AMERICAN PATHOLOGISTS FOUNDATION 325 WAUKEGAN ROAD NORTHFIELD, IL 60093	NONE	501(C)	GENERAL FUND	25,000.
MARY MOTHER OF THE CHURCH 1914 BARNARD ROAD BROWNSVILLE, TX 78520	NONE	501(C)	GENERAL FUND	10,000.
MD ANDERSON CANCER CENTER 1515 HOLCOMBE BLVD. HOUSTON, TX 77030	NONE	501(C)	GENERAL FUND	10,000.
OPERATION HOMEFRONT 8930 FOURWINDS DRIVE STE 340 SAN ANTONIO, TX 78239	NONE	501(C)	GENERAL FUND	10,000.
OUR LADY OF SORROWS CHURCH 1108 WEST HACKBERRY AVENUE MCALLEN, TX 78501	NONE	501(C)	GENERAL FUND	5,000.
ST MARY'S CATHOLIC SCHOOL 1300 LOS EBANOS BLVD. BROWNSVILLE, TX 78520	NONE	501(C)	GENERAL FUND	5,000.
Total from continuation sheets				

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

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
SCHREINER UNIVERSITY 2100 MEMORIAL BLVD. KERRVILLE, TX 78028	NONE	501(C)	GENERAL FUND	60,000.
SOUTHERN METHODIST UNIVERSITY (SMU) 6425 BOAZ LANE DALLAS, TX 75205	NONE	501(C)	GENERAL FUND	25,000.
ST LUKE CATHOLIC SCHOOL 2850 PRICE ROAD BROWNSVILLE, TX 78521	NONE	501(C)	GENERAL FUND	5,000.
SMU ENGINEERING 6425 BOAZ LANE BROWNSVILLE, TX 75205	NONE	501(C)	GENERAL FUND	25,000.
THE UNIVERSITY OF TEXAS AT BROWNSVILLE 80 FORT BROWN BROWNSVILLE, TX 78520	NONE	501(C)	GENERAL FUND	20,000.
THE UNIVERSITY OF TEXAS AT AUSTIN 1 UNIVERSITY STATION AUSTIN, TX 78712	NONE	501(C)	GENERAL FUND	25,000.
UNIVERSITY OF DALLAS 1845 E. NORTHGATE DRIVE IRVING, TX 75062	NONE	501(C)	GENERAL FUND	25,000.
DEAN PORTER PARK RENOVATIONS 35 CALLE JACARANDA BROWNSVILLE, TX 78520	NONE	501(C)	GENERAL FUND	5,000.
MOTHER OF THE PERPETUAL HELP 519 E. MADISON ST. STE. A BROWNSVILLE, TX 78520	NONE	501(C)	GENERAL FUND	5,000.
SOUTH TEXAS ACADEMIC RISING SCHOLARS 3900 NORTH MCCOLL ROAD MCALLEN, TX 78501	NONE	501(C)	GENERAL FUND	20,000.
Total from continuation sheets				

74-2861035

3 Grants and Contributions Paid During the Year (Continuation)

SERAFY FOUNDATION

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	VARIOUS INVEST. THROUGH M L (4039)	P	01/30/08	09/16/11
b	VARIOUS INVEST. THROUGH M L (4039)	P	06/16/11	09/16/11
c	VARIOUS INVEST. THROUGH M L (4042)	P	01/30/08	09/16/11
d	VARIOUS INVEST. THROUGH M L (4042)	P	06/16/11	09/16/11
e	VARIOUS INVEST. THROUGH M L (2178)	P	06/16/11	09/16/11
f	INVEST. THROUGH FIDELITY	P	09/05/08	04/26/11
g				
h				
i				
j				
k				
l				
m				
n				
o				

(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 246,675.			246,675.
b 156.			156.
c 20,343.			20,343.
d		3,779.	-3,779.
e		28,448.	-28,448.
f		38,428.	-38,428.
g			
h			
i			
j			
k			
l			
m			
n			
o			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(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	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			246,675.
b			156.
c			20,343.
d			-3,779.
e			-28,448.
f			-38,428.
g			
h			
i			
j			
k			
l			
m			
n			
o			

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	196,519.
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). If (loss), enter "-0-" in Part I, line 8 }	3	N/A

FORM 990-PF	ACCOUNTING FEES			STATEMENT	1
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
ACCOUNTING FEES	4,630.	0.		0.	
TO FORM 990-PF, PG 1, LN 16B	4,630.	0.		0.	

FORM 990-PF	TAXES			STATEMENT	2
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FOREIGN TAXES	641.	641.		0.	
TO FORM 990-PF, PG 1, LN 18	641.	641.		0.	

FORM 990-PF	OTHER EXPENSES			STATEMENT	3
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
ADMINISTRATIVE FEES ON INVESTMENTS	17,696.	17,696.		0.	
RENTAL R.E. - GRAND KUYKENDAHL	121,889.	121,889.		0.	
RENTAL R.E. - ROSS-CARROLL	4,283.	4,283.		0.	
MISCELLANEOUS	2,397.	1,317.		0.	
TO FORM 990-PF, PG 1, LN 23	146,265.	145,185.		0.	

FORM 990-PF	OTHER INCOME	STATEMENT	4
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DESCRIPTION	(A) REVENUE PER BOOKS
RENTAL R.E. - COOPER-MAYFIELD	309,158.
TOTAL TO FORM 990-PF, PART I, LINE 11, COLUMN A	309,158.

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	5
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DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
MUNICIPAL BONDS		X	5,012.	5,012.
GOVERNMENT SECURITIES	X		141,402.	141,402.
TOTAL U.S. GOVERNMENT OBLIGATIONS			141,402.	141,402.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS			5,012.	5,012.
TOTAL TO FORM 990-PF, PART II, LINE 10A			146,414.	146,414.

FORM 990-PF	CORPORATE BONDS	STATEMENT	6
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE STATEMENT 10	91,783.	91,783.
TOTAL TO FORM 990-PF, PART II, LINE 10C	91,783.	91,783.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	7
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
SEE STATEMENT 11	FMV	2,863,501.	2,863,501.
TOTAL TO FORM 990-PF, PART II, LINE 13		2,863,501.	2,863,501.

FORM 990-PF

OTHER ASSETS

STATEMENT

8

DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
INVESTMENT COOPER-MAYFIELD	734,366.	3,924.	3,924.
INVESTMENT BEACH NORTH TARRANT	141,147.	134,546.	134,546.
INVESTMENT HEBRON - OLD DENTON	166,849.	109,529.	109,529.
INVESTMENT HOPKINS DALLAS	49,032.	49,032.	49,032.
INVESTMENT ROSS CARROLL LTD.	97,530.	93,247.	93,247.
INVESTMENT GRAND KUYKENDAHL	3,365,961.	3,911,206.	3,911,206.
TO FORM 990-PF, PART II, LINE 15	4,554,885.	4,301,484.	4,301,484.

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION
PART XV, LINES 2A THROUGH 2D

STATEMENT 9

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTEDNICHOLAS T. SERAFY JR.
205 WEST LEVEE ST
BROWNSVILLE, TX 78520TELEPHONE NUMBERNAME OF GRANT PROGRAM

(956) 546-5313

SERAFY FOUNDATION

FORM AND CONTENT OF APPLICATIONSALL WRITTEN REQUESTS FROM TAX EXEMPT 501(C)(3) ORGANIZATION
WILL BE CONSIDERED.ANY SUBMISSION DEADLINES

NONE

RESTRICTIONS AND LIMITATIONS ON AWARDS

NONE

FORM 990-PF	CORPORATE BONDS	STATEMENT 10
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QUANTITY	DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
8,000	AT&T INC	9,260	9,260
8,000	BP CAPITAL MARKETS PLC	8,542	8,542
6,000	GENERAL ELECTRIC COMPANY	6,253	6,253
5,000	CITIGROUP INC	4,810	4,810
6,000	CITIGROUP FUNDING INC	6,111	6,111
9,000	CISCO SYSTEMS INC	10,232	10,232
5,000	GENERAL ELEC CAP CORP	5,142	5,142
9,000	GOLDMAN SACHS GROUP INC	9,226	9,226
9,000	JPMORGAN CHASE & CO	9,489	9,489
4,000	PEPSICO INC	4,647	4,647
7,000	VERIZON COMMUNICATIONS	8,530	8,530
9,000	WAL-MART STORES INC	9,539	9,539
TOTAL TO FORM 990-PF, PART II, LINE 10C		91,783	91,783

FORM 990-PF

OTHER INVESTMENTS

STATEMENT 11

QUANTITY	DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
Equities			
50,302	INTL BANCSHARES CORP COM	922,287	922,287
15	ABBOTT LABS	843	843
20	APOLLO GROUP INC CL A	1,077	1,077
11	AMAZON COM INC COM	1,904	1,904
9	ALLERGAN INC	790	790
28	AMERISOURCEBERGEN CORP	1,041	1,041
17	ACCENTURE PLC SHS	905	905
26	ALPHA NATURAL RESOURCES INC	531	531
40	AT&T INC	1,210	1,210
11	AMER EXPRESS COMPANY	519	519
22	ANADARKO PETE CORP	1,679	1,679
13	APPLE INC	5,265	5,265
26	BROADCOM CORP CALIF CL A	763	763
10	BIOGEN IDEC INC	1,101	1,101
17	BANK OF NOVA SCOTIA	847	847
26	BHP BILLITON LTD ADR	1,836	1,836
37	BOEING COMPANY	2,714	2,714
43	BRISTOL-MYERS SQUIBB CO	1,515	1,515
23	COMCAST CRP NEW CL A SPL	542	542
18	CENTURYLINK INC SHS	670	670
15	CAMECO CORP COM	271	271
12	CANADIAN NATL RAILWAY CO	943	943
12	CONSOL ENERGY INC COM	440	440
23	CHECK POINT SOFTWRE TECH	1,208	1,208
11	COACH INC	671	671
19	CHEVRON CORP	2,022	2,022
13	CONOCOPHILLIPS	947	947
19	CATERPILLAR INC DEL	1,721	1,721
15	CELANESE CORP DEL SER A	664	664
22	CERNER CORP	1,348	1,348
15	CHUBB CORP	1,038	1,038
44	COCA COLA COM	3,079	3,079
51	DANAHER CORP DEL COM	2,399	2,399
15	DIAGEO PLC SPSP ADR NEW	1,311	1,311
25	DOMINION RES INC NEW VA	1,327	1,327
17	DEERE CO	1,315	1,315
15	DOW CHEMICAL CO	431	431
32	DU PONT E I DE NEMOURS	1,465	1,465
29	EBAY INC	880	880
27	ENBRIDGE INC	1,010	1,010
23	EATON CORP	1,001	1,001
45	EXXON MOBIL CORP COM	3,814	3,814
12	EQT CORP	657	657
13	FIRSTENERGY CORP	576	576
6	GREEN MOUNTN COFFEE ROS	269	269
11	GENL DYNAMICS CORP COM	731	731
67	GENERAL ELECTRIC	1,200	1,200
14	GENERAL MILLS	566	566
3	GOOGLE INC CL A	1,938	1,938
21	HALLIBURTON COMPANY	725	725
10	HONEYWELL INTL INC DEL	544	544
54	HOME DEPOT INC	2,270	2,270
31	INTEL CORP	752	752
8	INTL BUSINESS MACHINES CORP IBM	1,471	1,471
53	JEFFERIES GROUP INC NEW	729	729
55	JPMORGAN CHASE & CO	1,829	1,829
42	JOHNSON AND JOHNSON COM	2,754	2,754
37	JOHNSON CONTROLS INC	1,157	1,157
12	KIMBERLY CLARK	883	883
32	LAS VEGAS SANDS CORP	1,367	1,367

8	LORILLARD INC	912	912
21	LIMITED BRANDS INC	847	847
47	MARVELL TECHNOLOGY GROUP	651	651
16	MONSANTO CO NEW DEL COM	1,121	1,121
20	MARATHON OIL CORP	585	585
24	MEADWESTVACO CORP	719	719
25	MERCK AND CO INC SHS	943	943
10	MARATHON PETROLEUM CORP	333	333
17	MANPOWERGROUP	608	608
18	MCDONALDS CORP COM	1,806	1,806
54	MICROSOFT CORP	1,402	1,402
9	NATIONAL-OILWELL VARCO INC	612	612
17	NEXTERA ENERGY INC SHS	1,035	1,035
39	NXP SEMICONDUCTORS N V	599	599
17	NORTHEAST UTILITIES COM	613	613
11	NORTHROP GRUMMAN CORP	643	643
14	OCCIDENTAL PETE CORP CAL	1,312	1,312
26	ORACLE CORP	667	667
8	PRUDENTIAL FINANCIAL INC	401	401
12	PEABODY ENERGY CORP COM	397	397
22	PHILIP MORRIS INTL INC	1,727	1,727
90	PFIZER INC	1,948	1,948
11	PRAXAIR INC	1,176	1,176
4	PRECISION CASTPARTS	659	659
55	PROCTER & GAMBLE CO	3,669	3,669
17	PUB SVC ENTERPRISE GRP	561	561
67	QUALCOMM INC	3,665	3,665
14	RIO TINTO PLC SPNSRD ADR	685	685
10	RANGE RESOURCES CORP DEL	619	619
23	RAYTHEON CO DELAWARE NEW	1,113	1,113
30	RED HAT INC	1,239	1,239
14	SANDISK CORP INC	689	689
9	SEMPRA ENERGY	495	495
33	SCHLUMBERGER LTD	2,254	2,254
11	SALESFORCE COM INC	1,116	1,116
17	STANLEY BLACK & DECKER INC	1,149	1,149
22	SOUTHERN COMPANY	1,018	1,018
35	STARBUCKS CORP	1,610	1,610
21	TOTAL S A SP ADR	1,073	1,073
9	3M COMPANY	736	736
25	TRAVELERS COS INC	1,479	1,479
23	TESLA MTRS INC	657	657
11	TIFFANY & CO NEW	729	729
21	TEREX CORP DEL NEW COM	284	284
7	TORONTO DOMINION BANK	524	524
39	UNILEVER NV NY REG SHS	1,340	1,340
34	US BANCORP (NEW)	920	920
20	UNITED TECHS CORP COM	1,462	1,462
9	V F CORPORATION	1,143	1,143
84	VERIZON COMMUNICATNS COM	3,370	3,370
22	VERIFONE SYSTEMS INC	781	781
24	VODAFONE GROU PLC SP ADR	673	673
10	VMWARE, INC	832	832
8	ACE LIMITED	561	561
38	WAL-MART STORES INC	2,271	2,271
38	WEYERHAEUSER CO	709	709
14	WHOLE FOODS MKT INC COM	974	974
85	WELLS FARGO & CO NEW DEL	2,343	2,343
900	BERKSHIRE HATHAWAY INC	68,670	68,670
2,995	COSTCO WHOLESALE CORP	249,543	249,543
4,368	FASTENAL CO	190,488	190,488
7,060	INTEL CORP	171,205	171,205
7,850	ITAU UNIBANCO BANCO HOLDING	145,696	145,696
7,650	LIFETIME BRANDS INC	92,871	92,871
1,741	MARTIN MARIETTA MATLS INC	131,289	131,289
10,045	NEWS CORP CL	179,203	179,203
5,820	PROGRESSIVE CORP OHIO	113,548	113,548
2,610	WILEY JOHN & SONS INC	115,884	115,884

SERAFY FOUNDATION**74-2861035**

5,670 WINNEBAGO INDS INC

41,845

41,845

Mutual Funds

191 000	ISHARES MSCI SWEDEN INDEX FUND	4,802	4,802
227 000	ISHARES MSCI GERMANY INDEX FUND	4,363	4,363
201 000	ISHARES RUSSELL 1000 GROWTH INDEX FUND	11,616	11,616
168 000	ISHARES MSCI EAFE INDEX FUND	8,321	8,321
166 000	ISHARES BARCLAYS AGGRGT AGGREGATE BD FUND	18,302	18,302
154 000	ISHARES DOW JONES US ENERGY SECTOR INDEX FUND	6,134	6,134
413 000	BLACKROCK INTL OPP PORT INST	12,150	12,150
3,133 594	BLACKROCK HI YLD BD PORTFOLIO INST CL	23,157	23,157
1,164 000	BLACKROCK GLOBAL EMERGING MARKETS INSTL	19,904	19,904
5,723 000	BLACKROCK TOTAL RETURN FUND INSTITUTIONAL CLASS	63,926	63,926

Long Portfolio

ACCRUED INTEREST 53C-04039	94	94
ACCRUED INTEREST 53C-02178	2,034	2,034

Alternative Investments

115,252	BLACKROCK GLOBAL	126,236	126,236
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TOTAL TO FORM 990-PF, PART II, LINE 13

2,863,5012,863,501