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Form **990-PF**

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 Spencer Charitable Foundation		A Employer identification number 74-2900267
Number and street (or P O box number if mail is not delivered to street address) 1001 Redbud Trail	Room/suite	B Telephone number (see instructions) 361-882-7001
City or town, state, and ZIP code West Lake Hills TX 78746		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) \$ 1,650,997	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) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)	4,943			
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	26,682	26,682		
	4 Dividends and interest from securities	18,347	18,347		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	43,468			
	b Gross sales price for all assets on line 6a 400,496				
	7 Capital gain net income (from Part IV, line 2)		43,468		
	8 Net short-term capital gain			0	
	9 Income modifications				
	10a Gross sales less returns & allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule) Stmt 1	5,205				
12 Total. Add lines 1 through 11	98,645	88,497	0		
Operating and Administrative Expenses	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) Stmt 2	4,943	4,943		
	c Other professional fees (attach schedule) Stmt 3	10,104	10,104		
	17 Interest				
	18 Taxes (attach schedule) (see instructions) Stmt 4	524	524		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)				
	24 Total operating and administrative expenses. Add lines 13 through 23	15,571	15,571	0	0
	25 Contributions, gifts, grants paid	75,000			75,000
26 Total expenses and disbursements. Add lines 24 and 25	90,571	15,571	0	75,000	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	8,074				
b Net investment income (if negative, enter -0-)		72,926			
c Adjusted net income (if negative, enter -0-)			0		

For Paperwork Reduction Act Notice, see instructions.

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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	30,816	87,454	87,454
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶ Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach schedule) ▶ Less: allowance for doubtful accounts ▶	0		
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	255	526	526
	10a Investments—U S and state government obligations (attach schedule) Stmt 5	398,719	323,961	341,257
	b Investments—corporate stock (attach schedule) See Stmt 6	738,750	699,583	822,241
	c Investments—corporate bonds (attach schedule) See Stmt 7	323,706	389,068	399,518
	11 Investments—land, buildings, and equipment basis ▶ Less: accumulated depreciation (attach sch) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)			
	14 Land, buildings, and equipment basis ▶ Less: accumulated depreciation (attach sch) ▶			
	15 Other assets (describe ▶ See Statement 8)	1		1
	16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	1,492,247	1,500,592	1,650,997
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 ▶ See Statement 9)		1,000	
	23 Total liabilities (add lines 17 through 22)	0	1,000	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ▶ <input type="checkbox"/>			
	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			
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	1,492,247	1,499,592	
	30 Total net assets or fund balances (see instructions)	1,492,247	1,499,592	
	31 Total liabilities and net assets/fund balances (see instructions)	1,492,247	1,500,592	

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	1,492,247
2 Enter amount from Part I, line 27a	2	8,074
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	1,500,321
5 Decreases not included in line 2 (itemize) ▶ See Statement 10	5	729
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,499,592

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 STOCK SALES		P	Various	Various
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 400,496		357,028	43,468
b			
c			
d			
e			

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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			43,468
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	<div style="border: 1px solid black; padding: 2px;"> If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 </div>	2	43,468
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)	<div style="border: 1px solid black; padding: 2px;"> If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8 </div>	3	43,468

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	69,614	1,522,732	0.045717
2009	80,237	1,507,057	0.053241
2008	43,607	1,638,112	0.026620
2007	24,521	932,356	0.026300
2006	16,841	449,124	0.037497

2 Total of line 1, column (d)	2	0.189375
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	0.037875
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	1,502,737
5 Multiply line 4 by line 3	5	56,916
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	729
7 Add lines 5 and 6	7	57,645
8 Enter qualifying distributions from Part XII, line 4	8	75,000

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

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	729
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	729
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	729
6 Credits/Payments:			
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a	2,255	
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	2,255	
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	1,526	
11 Enter the amount of line 10 to be: Credited to 2012 estimated tax 1,526 Refunded	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
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 \$ (2) On foundation managers \$		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
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?		
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	

N/A

Stmt

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 ► N/A	13	X	
14	The books are in care of ► FANCHER & COMPANY, CPAS 600 LEOPARD STREET, SUITE 2000 Located at ► CORPUS CHRISTI	Telephone no ► 361-882-7001 ZIP+4 ► 78401		
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	► <input type="checkbox"/>	
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?	N/A	
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 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 ► 20 , 20 , 20 , 20	<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 ► 20 , 20 , 20 , 20	N/A	
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?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b	X

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

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see 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)? **N/A** ☐ **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? **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

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? **N/A** **7b**

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see 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
JACK W. SPENCER 1001 REDBUD TRAIL AUSTIN TX 78746	PRES/DIR 2.00	0	0	0
DEANNA JUNE SPENCER 1001 REDBUD TRAIL AUSTIN TX 78746	VP/DIR 1.00	0	0	0
CHARLOTTE SPENCER STACY 2604 SALERNO PLACE CEDAR PARK TX 78613	SECY/DIR 1.00	0	0	0
ANDREW M. SPENCER 6011 SIERRA ARBOR COURT AUSTIN TX 78759	TREAS/DIR 1.00	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

0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services		

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

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

	Amount
1 N/A	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3	

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	1,432,044
b	Average of monthly cash balances	1b	93,051
c	Fair market value of all other assets (see instructions)	1c	526
d	Total (add lines 1a, b, and c)	1d	1,525,621
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	1,525,621
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	22,884
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,502,737
6	Minimum investment return. Enter 5% of line 5	6	75,137

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	75,137
2a	Tax on investment income for 2011 from Part VI, line 5	2a	729
b	Income tax for 2011 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	729
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	74,408
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	74,408
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	74,408

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	75,000
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	75,000
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	729
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	74,271

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				74,408
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			74,637	
b Total for prior years 20____, 20____, 20____				
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 ▶ \$ 75,000				
a Applied to 2010, but not more than line 2a			74,637	
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				363
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				74,045
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				
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	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year See Statement 12				75,000
Total			3a	75,000
b Approved for future payment N/A				
Total			3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1	Program service revenue					
a						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments			14	26,682	
4	Dividends and interest from securities			14	18,347	
5	Net rental income or (loss) from real estate					
a	Debt-financed property					
b	Not debt-financed property					
6	Net rental income or (loss) from personal property					
7	Other investment income					
8	Gain or (loss) from sales of assets other than inventory					43,468
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue. a					
b	CAPITAL GAIN DISTRIBUTIONS			14	5,063	
c	OTHER INCOME			1	142	
d						
e						
12	Subtotal. Add columns (b), (d), and (e)		0		50,234	43,468
13	Total. Add line 12, columns (b), (d), and (e)				13	93,702

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

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Statement 1 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
CAPITAL GAIN DISTRIBUTIONS	\$ 5,063	\$	\$
OTHER INCOME	142		
Total	\$ 5,205	\$ 0	\$ 0

Statement 2 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
ACCOUNTING FEES	\$ 767	767	\$	\$
TAX PREP FEES	4,176	4,176		
Total	\$ 4,943	\$ 4,943	\$ 0	\$ 0

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
FINANCIAL MANAGEMENT FEE	\$ 10,104	10,104	\$	\$
Total	\$ 10,104	\$ 10,104	\$ 0	\$ 0

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
FOREIGN TAXES	\$ 524	524	\$	\$
Total	\$ 524	\$ 524	\$ 0	\$ 0

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Statement 5 - Form 990-PF, Part II, Line 10a - US and State Government Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
FEDERAL FARM CREDIT BANKS	\$ 25,008		Cost	\$
FEDERAL HOME LN BKS 1.5%	49,750		Cost	
FEDERAL HOME LN BKS 3.125%	49,358	49,358	Cost	51,661
FEDERAL NAT'L MORT DATED 4/16/07 5%	51,116	51,116	Cost	59,349
KENTUCKY ASSET/LIABILITY COMMISSION	75,000	75,000	Cost	75,183
MINNEAPOLIS MINNESOTA NON-CALLABLE	50,420	50,420	Cost	50,199
US TREASURY NOTES 4.25%	46,104	46,104	Cost	49,570
WINDER BARROW INDUSTRIAL BLDG	51,963	51,963	Cost	55,295
Total	\$ 398,719	\$ 323,961		\$ 341,257

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

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
AIR PRODUCTS & CHEMICALS INC COM	\$ 6,684	1,502	Cost	\$ 2,471
ALBEMARLE CORPORATION COM	1,265	4,531	Cost	4,636
ALLERGAN INC	3,092	3,092	Cost	5,089
AMAZON.COM INC	4,145	1,773	Cost	2,250
AMERICAN EXPRESS CO	1,841	1,841	Cost	2,594
AMERICAN WTR WKS CO INC COM	4,613	6,576	Cost	8,762
AMERIPRISE FINANCIAL INC	4,348	1,346	Cost	2,730
ANADARKO PETROLEUM CORP	3,106	4,433	Cost	5,343
APPLE INC	8,325	8,325	Cost	20,655
AQUA AMERICA INC	2,079	4,687	Cost	5,292
ARM HLDGS PLC SPONS ADR		2,382	Cost	2,352
ARTIO US SMALL CAP FUND I	51,708	29,723	Cost	29,106
AT&T INC COM	2,387	9,731	Cost	10,433
BAIDU INC SPONSORED ADR	2,502	2,502	Cost	2,679
BANK OF HAWAII	1,936		Cost	
BARD C.R. INC	3,230		Cost	
BB&T CORP COM	5,454	5,454	Cost	5,034
BCE INC COM	2,406	2,406	Cost	3,334
BECTON DICKINSON & CO COM	2,533		Cost	
BHP BILLITON LTD	5,988	5,988	Cost	5,650

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

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
BLACKROCK INC COM		\$ 2,588	Cost	\$ 2,495
BORGWARNER INC	2,778	1,307	Cost	2,550
CAMBIAR SMALL CAP FUND INSTL	49,561	26,531	Cost	32,061
CAMERON INTERNATIONAL CORP COM		2,217	Cost	2,214
CARDINAL HEALTH INC COM	2,302	4,044	Cost	4,467
CARNIVAL CORP PAIRED CTF	2,808		Cost	
CELGENE CORP COM	2,613	2,613	Cost	3,042
CENOVUS ENERGY INC		2,753	Cost	2,490
CHEVRON CORPORATION	3,890	3,890	Cost	5,320
CINEMARK HOLDINGS INC COM		5,902	Cost	5,602
CISCO SYSTEM INC	2,290	6,019	Cost	6,183
COCA COLA	5,702	5,702	Cost	8,047
COGNIZANT TECH SOLUTIONS	2,622	2,622	Cost	9,518
CORNING INC	1,966		Cost	
COSTCO WHOLESALE CORP NEW	4,207	4,207	Cost	6,249
COVIDIEN PLC		4,926	Cost	4,951
CUMMINS INC	2,287	2,287	Cost	6,161
DEERE & CO	3,894	2,291	Cost	3,868
DIRECTV COM CLASS A	2,276	4,189	Cost	4,704
DOLLAR GENERAL CORP COM		3,340	Cost	3,497
DOW CHEMICAL CO	1,899		Cost	
EAST WEST BANCORP INC COM		2,746	Cost	2,370
ECOPETROL SA SPONS ADR		2,746	Cost	2,894
EDWARDS LIFESCIENCES CORP COM		2,590	Cost	2,475
EMC CORP MASSACHUSETTS	4,608	4,608	Cost	8,078
EMERSON ELECTRIC CO	6,650	6,650	Cost	7,221
ENCANA CORP	1,129		Cost	
EOG RESOURCES INC COM		2,670	Cost	2,463
ERICSSON TEL CO ADR CL B	3,513	5,309	Cost	4,710
EXXON MOBIL CORP	12,017	12,017	Cost	15,257
F5 NETWORKS INC COM		2,776	Cost	2,759
FEDEX CORP COM		2,707	Cost	2,505
FORTINET INC COM		2,327	Cost	5,016
FREEMPORT-MCMORAN COPPER & GOLD	2,327	1,395	Cost	920
GENERAL ELECTRIC CO.			Cost	
GENTEX CORP	3,552		Cost	
GOLDMAN SACHS GROUP INC COM	4,561		Cost	
	2,675		Cost	

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

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
GOOGLE INCORPORATED CLASS A	\$ 9,558	\$ 9,558	Cost	\$ 12,272
GREEN MTN COFFEE ROASTERS INC COM	2,494		Cost	
HALLIBURTON CO COM	1,315	1,315	Cost	1,380
HARMAN INTL INDS INC COM	3,506		Cost	
HEWLETT PACKARD CO	2,819	6,074	Cost	5,976
HOME DEPOT INC	1,821		Cost	
HONEYWELL INT'L, INC.	3,957	1,560	Cost	2,446
HSBC HOLDINGS PLC	2,404		Cost	
HUMANA INC COM		8,433	Cost	9,111
ILLINOIS TOOL WORKS INC	3,955		Cost	
INTL BUSINESS MACHINES CORP	3,907	4,777	Cost	6,436
INVESCO DEV MARKETS FUND INSTL	23,751	22,091	Cost	23,071
INVESCO LTD	3,954	3,954	Cost	3,918
ISHARES COHEN & STEERS REALTY	23,601	20,510	Cost	51,261
IVY GLOBAL NATURAL RES FUND CL I	17,321	13,315	Cost	21,585
JOHNSON & JOHNSON	3,987		Cost	
JP MORGAN CHASE & CO.	7,885	7,885	Cost	7,182
JUNIPER NETWORKS INC		2,438	Cost	2,347
KELLOG CO	2,092	6,101	Cost	5,816
KINROSS GOLD CORP		2,481	Cost	1,653
KRAFT FOODS INC CLASS A	2,348	6,080	Cost	6,538
LAM RESEARCH CORPORATION		4,092	Cost	2,962
LINCOLN ELECTRIC HOLDINGS INC		3,812	Cost	4,108
LOWES COS INC	3,717		Cost	
MAINSTAY CONVERTIBLE FUND I	34,016	56,672	Cost	60,451
MASTERCARD INC CL A	3,299	3,299	Cost	7,084
MAXIM INTEGRATED PRODUCTS INC	1,572	713	Cost	1,302
MCDONALDS CORP	3,868	5,503	Cost	8,929
MEAD JOHNSON NUTRITION CO COM CL A		2,365	Cost	2,406
MEDCO HEALTH SOLUTIONS INC	2,888		Cost	
MEDTRONIC INC	1,956	1,956	Cost	2,295
MERCK & CO INC	8,848	3,766	Cost	4,298
METLIFE INC	4,354	5,632	Cost	4,677
MICROSOFT CORP WASHINGTON	7,422		Cost	
NETAPP INC		5,519	Cost	3,627
NORDSTROM INC COM	3,655	2,138	Cost	2,486
NORFOLK SOUTHERN CORP	1,724	1,724	Cost	3,643

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

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
NOVARTIS AG ADR	\$ 3,872	3,872	Cost	\$ 4,574
NYSE EURONEXT	4,213		Cost	
O'REILLY AUTOMOTIVE INC	3,712	3,712	Cost	11,993
ORACLE CORPORATION	4,016	1,469	Cost	2,052
PACCAR INC		3,199	Cost	2,248
PEABODY ENERGY CORP		2,959	Cost	1,490
PENN WEST ENERGY TRUST		2,799	Cost	2,178
PEPSICO INC	3,925	3,925	Cost	3,649
PETROLEO BRASILEIRO SA PETRO	5,849		Cost	
PHILIP MORRIS INT'L INC	12,985	5,013	Cost	8,476
PNC FINANCIAL SERVICES GROUP	5,129	5,129	Cost	5,190
POTASH CORP SASK INC COM	2,544	4,989	Cost	4,087
PRAXAIR INC COM	2,697	2,697	Cost	3,742
PRICELINE.COM INC	1,077	1,077	Cost	3,274
QUALCOMM INC	6,425	6,425	Cost	7,658
ROCKWELL AUTOMATION INC COM	4,114	4,114	Cost	6,236
ROGERS COMMUNICATIONS INC CL B	1,299	3,638	Cost	3,658
RPM INTERNATIONAL INC COM	4,043		Cost	
RYDER SYSTEM INC COM			Cost	
SALIX PHARMACEUTICALS LTD	5,020	2,454	Cost	3,589
SAP AG SPONSORED ADR	8,918	1,211	Cost	1,324
SCHLUMBERGER LIMITED	4,478	4,875	Cost	6,626
SEADRILL LTD	1,168	5,248	Cost	5,475
SOUTHERN COPPER CORP COM	2,530		Cost	
SOUTHWEST AIRLINES CO	4,647		Cost	
ST. JUDE MEDICAL INC			Cost	
STAPLES INC		4,956	Cost	4,653
STARBUCKS CORP	1,607	1,607	Cost	6,211
STARWOOD HOTELS & RESORTS COM	3,534	3,534	Cost	3,118
SUN LIFE FINANCIAL INC	5,985		Cost	
SUNCOR ENERGY INC	3,781	3,781	Cost	3,027
T ROWE PRICE INTL DISCOVERY FD	32,141	20,878	Cost	21,941
TENARIS S A SPONSORED ADR	3,615		Cost	
TEVA PHARMACEUTICAL INDS LTD ADR		5,501	Cost	5,085
THORNBURG INTERNATIONAL VALUE FD I	110,046	106,616	Cost	88,597
TIME WARNER CABLE INC		7,432	Cost	7,565
TOTAL SA SPONSORED ADR	3,650	1,304	Cost	1,278

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

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
ULTA SALON COSMETICS & FRAG	\$	2,637	Cost	\$ 2,921
UNION PACIFIC CORP	3,848	3,848	Cost	6,356
UNITED TECHNOLOGIES CORP COM	4,714	2,183	Cost	2,266
URBAN OUTFITTERS INC	1,472		Cost	
VISA INC CL A	5,327	5,327	Cost	6,599
VMWARE INC		2,804	Cost	2,494
VODAFONE GROUP PLC	5,793	7,254	Cost	7,596
WAL MART STORES	3,669		Cost	
WEATHERFORD INTERNATIONAL LTD COM	1,203		Cost	
WELLS FARGO & CO NEW COM	6,407		Cost	
YUM! BRANDS INC	1,534	5,092	Cost	7,258
Total	\$ 738,750	\$ 699,583		\$ 822,241

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

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
AT&T INCORPORATED 4.95%	\$ 51,296	51,296	Cost	\$ 52,111
GENENTECH INCORPORATED	54,255	54,255	Cost	55,772
PEPSICO INCORPORATED	30,449	30,449	Cost	31,795
PHIZER INCORPORATED 4.5%	40,197	40,197	Cost	43,125
SHERWIN WILLIAMS COMPANY	70,952	70,952	Cost	73,761
VERIZON COMMUNICATIONS 5.35%	25,216		Cost	
WALT DISNEY COMPANY 4.7%	51,341	51,341	Cost	51,886
WELLS FARGO & COMPANY		42,135	Cost	41,800
JP MORGAN CHASE & COMPANY		48,443	Cost	49,268
Total	\$ 323,706	\$ 389,068		\$ 399,518

Federal Statements**Statement 8 - Form 990-PF, Part II, Line 15 - Other Assets**

Description	Beginning of Year	End of Year	Fair Market Value
ROUNDING	\$ 1	\$	\$ 1
Total	\$ 1	\$ 0	\$ 1

Statement 9 - Form 990-PF, Part II, Line 22 - Other Liabilities

Description	Beginning of Year	End of Year
FEDERAL INCOME TAX PAYABLE	\$	\$ 1,000
Total	\$ 0	\$ 1,000

Statement 10 - Form 990-PF, Part III, Line 5 - Other Decreases

Description	Amount
CURRENT YEAR FEDERAL TAX	\$ 729
Total	\$ 729

6768 Spencer Charitable Foundation

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Statement 11 - Form 990-PF, Part VII-A, Line 10 - Substantial Contributors

Name

Address

City, State, Zip

MR. & MRS. JACK SPENCER

1001 REDBUD TRAIL

AUSTIN TX 78746

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

<u>Name of Manager</u>	<u>Amount</u>
MR. & MRS. JACK SPENCER	\$ 4,943
Total	\$ 4,943

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Statement 12 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Name		Address		Relationship	Address		Purpose	Amount
Address		Status						
AUSTIN CHILDREN'S SHELTER	AUSTIN TX 78723	NONE	4800 MANOR ROAD 501(C) 3		FOR OPERATING CHARITABLE ACTIVITIES	2,000		
AUSTIN COMMUNITY FUND	AUSTIN TX 78763	NONE	PO BOX 50066 501(C) 3		FOR OPERATING CHARITABLE ACTIVITIES	2,000		
BAYLOR UNIVERSITY	WACO TX 76798	NONE	ONE BEAR PLACE 501(C) 3		SPENCER FAMILY SCHOLARSHIP FUND	24,000		
BAYLOR UNIVERSITY	WACO TX 76798	NONE	ONE BEAR PLACE 501(C) 3		HURST SCHOLARSHIP FUND	12,000		
CAPITAL AREA FOOD BANK TX	AUSTIN TX 78745	NONE	8201 S. CONGRESS AVE. 501(C) 3		FOR OPERATING CHARITABLE ACTIVITIES	5,000		
CRP. CHR. METRO MINISTRIES	CORPUS CHRISTI TX 78469	NONE	1919 LEOPARD STREET 501(C) 3		FOR OPERATING CHARITABLE ACTIVITIES	5,000		
GREAT HILLS BAPTIST MINISTRY	AUSTIN TX 78759	NONE	10500 JOLLYVILLE ROAD 501(C) 3		FOR OPERATING CHARITABLE ACTIVITIES	1,000		
HELPING HAND HOME FOR CHILDREN	AUSTIN TX 78751	NONE	3804 AVE. B 501(C) 3		FOR OPERATING CHARITABLE ACTIVITIES	6,000		
THE BRIDGE BREAST NETWORK	DALLAS TX 75246	NONE	3600 GASTON AVE., STE 401 501(C) 3		FOR OPERATING CHARITABLE ACTIVITIES	5,000		
THE SAFE PLACE	AUSTIN TX 78760	NONE	PO BOX 19454 501(C) 3		FOR OPERATING CHARITABLE ACTIVITIES	5,000		
THE SALVATION ARMY	AUSTIN TX 78701	NONE	501 E. 8TH STREET 501(C) 3		FOR OPERATING CHARITABLE ACTIVITIES	5,000		
WOUNDED WARRIOR PROJECT	SAN ANTONIO TX 78249	NONE	11672 SILICON DR, STE 105 501(C) 3		FOR OPERATING CHARITABLE ACTIVITIES	3,000		
Total							75,000	

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Taxable Interest on Investments

<u>Description</u>	<u>Amount</u>	<u>Unrelated Business Code</u>	<u>Exclusion Code</u>	<u>Postal Code</u>	<u>US Obs (\$ or %)</u>
INTEREST INCOME	\$ 19,326		14		
SAVINGS BOND INTEREST	7,356		14		
Total	<u>\$ 26,682</u>				

Taxable Dividends from Securities

<u>Description</u>	<u>Amount</u>	<u>Unrelated Business Code</u>	<u>Exclusion Code</u>	<u>Postal Code</u>	<u>US Obs (\$ or %)</u>
DIVIDEND INCOME	\$ 18,347		14		
Total	<u>\$ 18,347</u>				