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

**2011**

Department 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 , **2011**, and ending , **20**

Name of foundation <b>THE TURNEY FOUNDATION</b>		A Employer identification number <b>75-1043523</b>	
Number and street (or P O box number if mail is not delivered to street address) <b>P O BOX 1496</b>		B Telephone number (see instructions) <b>(903) 938-9255</b>	
City or town, state, and ZIP code <b>MARSHALL, TX 75671-1496</b>		C If exemption application is pending, check here <input type="checkbox"/>	
G Check all that apply		D 1. Foreign organizations, check here <input type="checkbox"/>	
<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial return of a former public charity	2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>	
<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>	
<input type="checkbox"/> Address change	<input type="checkbox"/> Name change	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <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			
I Fair market value of all assets at end of year (from Part II, col (c), line 16) <b>\$ 378,367</b>		J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)	

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))</small>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
R e v e n u e	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	1	1	1	
	4 Dividends and interest from securities	10,227	10,227	10,227	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	21,467			
	b Gross sales price for all assets on line 6a <b>48,883</b>				
	7 Capital gain net income (from Part IV, line 2)		21,467		
	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) (attach schedule)				
	11 Other income (attach schedule) <b>STM106</b>	5,619	5,619	5,619	
	12 Total. Add lines 1 through 11	37,314	37,314	15,847	
A d m i n i s t r a t i v e e x p e n d i t u r e s	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule) <b>STM108</b>				
	b Accounting fees (attach schedule)	8,455	2,114	8,455	6,341
	c Other professional fees (attach schedule)				
	17 Interest <b>STM110</b>				
	18 Taxes (attach schedule) (see instructions)	841	211	841	630
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) <b>STM103</b>	307	230	307	77
	24 Total operating and administrative expenses. Add lines 13 through 23	9,603	2,555	9,603	7,048
	25 Contributions, gifts, grants paid	14,000			14,000
	26 Total expenses and disbursements. Add lines 24 and 25	23,603	2,555	9,603	21,048
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	13,711			
	b Net investment income (if negative, enter -0-)		34,759		
	c Adjusted net income (if negative, enter -0-)			6,244	

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			
A s s e t s	1	Cash - non-interest-bearing	6,348	20,454	20,454		
	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					
	8	Inventories for sale or use					
	9	Prepaid expenses and deferred charges					
	10a	Investments - U S and state government obligations (attach schedule)	307,058	306,412	357,353		
	b	Investments - corporate stock (attach schedule)					
	c	Investments - corporate bonds (attach schedule)					
	11	Investments - land, buildings, and equipment basis					
	Less accumulated depreciation (attach schedule)						
12	Investments - mortgage loans						
13	Investments - other (attach schedule)						
14	Land, buildings, and equipment basis	560					
	Less accumulated depreciation (attach schedule)	560	560	560			
15	Other assets (describe)						
16	<b>Total assets</b> (to be completed by all filers - see the instructions Also, see page 1, item I)	313,966	327,426	378,367			
L i a b i l i t i e s	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) <b>STM121</b>	251	348			
	23	<b>Total liabilities</b> (add lines 17 through 22)	251	348			
N e t A s s e t s o r F u n d B a l a n c e s	Foundations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.						
	24	Unrestricted	313,715	327,078			
	25	Temporarily restricted					
	26	Permanently restricted					
	Foundations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 31.						
	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					
30	<b>Total net assets or fund balances</b> (see instructions)	313,715	327,078				
31	<b>Total liabilities and net assets/fund balances</b> (see instructions)	313,966	327,426				

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	313,715
2	Enter amount from Part I, line 27a.	2	13,711
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	327,426
5	Decreases not included in line 2 (itemize) <b>STM116</b>	5	348
6	<b>Total net assets or fund balances at end of year</b> (line 4 minus line 5) - Part II, column (b), line 30	6	327,078

**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 (yr, mo, day)	(d) Date sold (yr, mo, day)
1a See STM~134 /			
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 48,883		27,416	21,467
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			21,467
b			
c			
d			
e			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	21,467
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8 . . . . . }	3	(975)

**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	21,279	318,866	0.066733
2009			
2008			
2007			
2006			

2 Total of line 1, column (d) . . . . .	2	0.066733
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	0.013347
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5 . . . . .	4	351,589
5 Multiply line 4 by line 3 . . . . .	5	4,693
6 Enter 1% of net investment income (1% of Part I, line 27b). . . . .	6	348
7 Add lines 5 and 6 . . . . .	7	5,041
8 Enter qualifying distributions from Part XII, line 4 . . . . . If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions	8	21,048

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

Table with 11 rows for excise tax calculations. Includes fields for exempt foundations, tax under section 511, add lines 1 and 2, subtitle A tax, tax based on investment income, credits/payments (6a-6d), total credits, penalty, tax due, overpayment, and refunded amount.

Part VII-A Statements Regarding Activities

Table with 10 rows of activity statements. Columns include question text, Yes, and No. Includes questions about influencing legislation, political purposes, Form 1120-POL, political expenditures, reimbursement, IRS reporting, state reporting, and private operating foundation status.

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions) . . . . . 11 X

12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions) . . . . . 12 X

13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? . . . . . 13 X

Website address ▶ N/A

14 The books are in care of ▶ CARY M ABNEY Telephone no ▶ 903-938-9255  
 Located at ▶ P O BOX 1496 MARSHALL, TX ZIP+4 ▶ 75671

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041-Check here . . . . .   
 and enter the amount of tax-exempt interest received or accrued during the year . . . . . 15

16 At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? . . . . . 16 Yes No X

See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ▶

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days ) . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? . . . . . <input type="checkbox"/> Organizations relying on a current notice regarding disaster assistance check here . . . . . <input type="checkbox"/>	1b	
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? . . . . . <input type="checkbox"/>	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions ) . . . . . <input type="checkbox"/>	2b	
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 ) . . . . . <input type="checkbox"/>	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? . . . . . <input type="checkbox"/>	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? . . . . . <input type="checkbox"/>	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)?  Yes  No  
Organizations relying on a current notice regarding disaster assistance check here.

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?  Yes  No  
If "Yes," attach the statement required by Regulations section 53.4945-5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No  
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?  Yes  No

**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
CARY M ABNEY P O BOX 1496 MARSHALL, TX 75671	FDN MGR 5	7,305	0	0
LOUIS W KARIEL JR 503 LANDSDOWNE MARSHALL, TX 75670	PRESIDENT 1	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.

**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 HARRISON COUNTY CHARITIES - PROVIDES CLOTHING FOOD AND CHRISTMAS PRESENTS FOR ECONOMICALLY DEPRIVED FAMILIES. SERVES 600 PLUS PERSONS ANNUALLY.	4,000
2 THE ARC OF HARRISON COUNTY - PROVIDES JOBS FOR MENTALLY CHALLENGED PERSONS. SERVES APPROXIMATELY 100 PERSONS ANNUALLY.	2,000
3 HOSPICE OF EAST TEXAS - PROVIDES CARE TO DYING PATIENTS IN THE ENTIRE EAST TEXAS AREA.	2,000
4 MARSHALL DEPOT - PROVIDES EDUCATIONAL PROGRAMS FOR ALL AGES.	1,000

**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	
2	
All other program-related investments See instructions	

Total. Add lines 1 through 3 . . . . . ▶

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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	340,378
<b>b</b>	Average of monthly cash balances	<b>1b</b>	16,005
<b>c</b>	Fair market value of all other assets (see instructions)	<b>1c</b>	560
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	356,943
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	356,943
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	5,354
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	351,589
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	17,579

**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)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	17,579
<b>2a</b>	Tax on investment income for 2011 from Part VI, line 5	<b>2a</b>	348
<b>b</b>	Income tax for 2011 (This does not include the tax from Part VI)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	348
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	17,231
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b>	Add lines 3 and 4	<b>5</b>	17,231
<b>6</b>	Deduction from distributable amount (see instructions)	<b>6</b>	
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1.	<b>7</b>	17,231

**Part XII** Qualifying Distributions (see instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
<b>a</b>	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	<b>1a</b>	21,048
<b>b</b>	Program-related investments - total from Part IX-B	<b>1b</b>	
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4.	<b>4</b>	21,048
<b>5</b>	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)	<b>5</b>	348
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	20,700

**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
<b>1</b> Distributable amount for 2011 from Part XI, line 7				17,231
<b>2</b> Undistributed income, if any, as of the end of 2011				
<b>a</b> Enter amount for 2010 only				
<b>b</b> Total for prior years				
<b>3</b> Excess distributions carryover, if any, to 2011				
<b>a</b> From 2006	8,930			
<b>b</b> From 2007	7,929			
<b>c</b> From 2008	10,062			
<b>d</b> From 2009	12,312			
<b>e</b> From 2010	5,587			
<b>f</b> Total of lines 3a through e	44,820			
<b>4</b> Qualifying distributions for 2011 from Part XII, line 4 $\blacktriangleright$ \$ 21,048				
<b>a</b> Applied to 2010, but not more than line 2a				
<b>b</b> Applied to undistributed income of prior years (Election required - see instructions)				
<b>c</b> Treated as distributions out of corpus (Election required - see instructions)				
<b>d</b> Applied to 2011 distributable amount				17,231
<b>e</b> Remaining amount distributed out of corpus	3,817			
<b>5</b> Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))	8,930			8,930
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus Add lines 3f, 4c, and 4e Subtract line 5.	39,707			
<b>b</b> Prior years' undistributed income Subtract line 4b from line 2b				
<b>c</b> 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				
<b>d</b> Subtract line 6c from line 6b Taxable amount - see instructions				
<b>e</b> Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount - see instructions				
<b>f</b> Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				0
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
<b>8</b> Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)				
<b>9</b> Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	39,707			
<b>10</b> Analysis of line 9				
<b>a</b> Excess from 2007	7,929			
<b>b</b> Excess from 2008	10,062			
<b>c</b> Excess from 2009	12,312			
<b>d</b> Excess from 2010	5,587			
<b>e</b> Excess from 2011	3,817			

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling

b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

Table with 5 columns: Tax year (a) 2011, (b) 2010, (c) 2009, (d) 2008, (e) Total. Rows include 2a (Adjusted net income), b (85% of line 2a), c (Qualifying distributions from Part XII, line 4), d (Amounts included in line 2c not used directly for active conduct of exempt activities), e (Qualifying distributions made directly for active conduct of exempt activities).

Table for alternative tests. Rows include 3a (Assets alternative test), b (Endowment alternative test), c (Support alternative test) with sub-rows (1) through (4) for each test.

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

1 Information Regarding Foundation Managers:
a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))
NONE, /

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest
NONE, /

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:
Check here [ ] if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed
990APP /

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

c Any submission deadlines

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

**Part XV** Supplementary Information (continued)

**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

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 AMERICAN RED CROSS 1201 A LOUISIANA ST MARSHALL TX 75670	UNRELATED	ORG	OPERATION	500
THE ARC OF HARRISON COUNTY P O BOX 24 MARSHALL TX 75671-0024	UNRELATED	ORG	OPERATION	2,000
HARRISON COUNTY CHARITIES P O BOX 2161 MARSHALL TX 75671-2161	UNRELATED	ORG	OPERATION	4,000
HARRISON COUNTY HISTORICAL MUS P O BOX 1987 MARSHALL TX 75671-1987	UNRELATED	ORG	OPERATION	500
HOSPICE OF EAST TEXAS 4111 UNIVERSITY BLVD TYLER TX 75701	UNRELATED	ORG	OPERATION	2,000
MARSHALL DEPOT INC 800 N WASHINGTON SUITE 1 MARSHALL TX 75670	UNRELATED	ORG	OPERATION	1,000
MICHELSON MUSEUM OF ART P O BOX 8290 MARSHALL TX 75671-8290	UNRELATED	ORG	OPERATION	1,000
SALVATION ARMY OF HARRISON CO P O BOX 425 MARSHALL TX 75671-0425	UNRELATED	ORG	OPERATION	500
Total .....				3a
b Approved for future payment				
Total .....				3b

**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				
TRIPLE M BACKPACK PROGRAM P O BOX 1234 MARSHALL TX 75671-1234	UNRELATED	ORG	OPERATION	500
TWELVE WAY FOUNDATION 3901 ELYSIAN FIELDS ROAD MARSHALL TX 75671	UNRELATED	ORG	OPERATION	1,000
WINDRIDGE EQUESTRIAN CENTER P O BOX 5932 LONGVIEW TX 75608	UNRELATED	ORG	OPERATION	1,000
<b>Total</b> .....				<b>14,000</b>
b Approved for future payment				
<b>Total</b> .....				<b>3b</b>



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

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code... 1a(1) Cash X 1a(2) Other assets X 1b(1) Sales of assets X 1b(2) Purchases of assets X 1b(3) Rental of facilities X 1b(4) Reimbursement arrangements X 1b(5) Loans or loan guarantees X 1b(6) Performance of services X 1c Sharing of facilities X

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements.

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... [ ] Yes [X] No

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules & statements, & to the best of my knowledge & belief, it is true, correct, & complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge. Sign Here [Signature] Date 5-11-12 Title V.P. May the IRS discuss this return with the preparer shown below (see inst.)? [X] Yes [ ] No

Paid Preparer Use Only Print preparer's name Julie J Simmons Preparer's signature Julie J Simmons Date 05-08-2012 Check self-employed [ ] if PTIN P00099679 Firm's name ABNEY SIMMONS AND CO LLC Firm's EIN Firm's address PO BOX 1496 215 EAST AUSTIN MARSHALL TX 75671-1496 Phone no 903-938-9255

**Federal Supporting Statements**

**2011 PG 01**

Name(s) as shown on return

Your Social Security Number

**THE TURNEY FOUNDATION**

**75-1043523**

**FORM 990PF, PART XV, LINE 2  
APPLICATION SUBMISSION INFORMATION**

**990APP**

**GRANT PROGRAM**

**APPLICANT NAME**

**CARY M ABNEY**

**ADDRESS**

**215 E AUSTIN ST**

**MARSHALL**

**TX 75670**

**TELEPHONE**

**903-938-9255**

**FORM & CONTENT**

**LETTER OR NARRATIVE OF NEED**

**SUBMISSION DEADLINE**

**NONE**

**RESTRICTIONS ON AWARD**

**HARRISON COUNTY TEXAS**

**Federal Supporting Statements**

**2011 PG 01**

Name(s) as shown on return

FEIN

**THE TURNEY FOUNDATION**

**75-1043523**

**FORM 990PF, PART III, LINE 5  
OTHER DECREASES SCHEDULE**

STATEMENT #116

TAXES	<u>348</u>
TOTAL	<u><u>348</u></u>

**FORM 990PF, PART II, LINE 22  
OTHER LIABILITIES SCHEDULE**

PG 01  
STATEMENT #121

<u>DESCRIPTION</u>	<u>BOY AMOUNT</u>	<u>EOY AMOUNT</u>
EXCISE TAX PAYABLE	<u>251</u>	<u>348</u>
TOTAL	<u><u>251</u></u>	<u><u>348</u></u>

**FORM 990PF, PART II, LINE 10(A)**

PG 01  
STATEMENT #136

**INVESTMENTS: STATE AND LOCAL GOVERNMENT OBLIGATION SCHEDULE**

<u>CATEGORY</u>	<u>BOOK VALUE (BOY)</u>	<u>BOOK VALUE (EOY)</u>	<u>FMV (EOY)</u>
INVESTMENTS SEE ATTACHED SCH	<u>307,058</u>	<u>306,412</u>	<u>357,353</u>
TOTALS	<u><u>307,058</u></u>	<u><u>306,412</u></u>	<u><u>357,353</u></u>

# Federal Supporting Statements

2011 PG 01

Your Social Security Number

75-1043523

THE TURNEY FOUNDATION

FORM 990PF, PART I, LINE 23 - OTHER EXPENSES SCHEDULE

STATEMENT #103

DESCRIPTION	REVENUE AND EXPENSES	NET INVESTMENT	ADJUSTED NET INCOME	CHARITABLE PURPOSE
OIL AND GAS OPERATING	307	230	307	77
TOTALS	<u>307</u>	<u>230</u>	<u>307</u>	<u>77</u>

PG 01

STATEMENT #106

FORM 990PF, PART I, LINE 11 - OTHER INCOME SCHEDULE

DESCRIPTION	REVENUE AND EXPENSES	NET INVESTMENT	ADJUSTED NET INCOME
LTD PTSP DIST	3,832	3,832	3,832
OIL AND GAS ROYALTIES	1,787	1,787	1,787
TOTALS	<u>5,619</u>	<u>5,619</u>	<u>5,619</u>

# Federal Supporting Statements

2011 PG 01

Your Social Security Number  
75-1043523

Name(s) as shown on return

THE TURNEY FOUNDATION

## FORM 990PF, PART I, LINE 16(B) - ACCOUNTING FEES SCHEDULE

STATEMENT #108

DESCRIPTION	REVENUE AND EXPENSES	NET INVESTMENT	ADJUSTED NET INCOME	CHARITABLE PURPOSE
ABNEY SIMMONS	7,305	1,826	7,305	5,479
KNUCKOLS DUVALL	1,150	288	1,150	862
<b>TOTALS</b>	<u>8,455</u>	<u>2,114</u>	<u>8,455</u>	<u>6,341</u>

PG 01

STATEMENT #110

## FORM 990PF, PART I, LINE 18 - TAXES SCHEDULE

DESCRIPTION	REVENUE AND EXPENSES	NET INVESTMENT	ADJUSTED NET INCOME	CHARITABLE PURPOSE
FOREIGN TAX PAID	14	4	14	10
PROPERTY TAX PAID	827	207	827	620
<b>TOTALS</b>	<u>841</u>	<u>211</u>	<u>841</u>	<u>630</u>

# Federal Supporting Statements

**2011** PG 01

Your Social Security Number

THE TURNEY FOUNDATION

75-1043523

FORM 990-PF, PART IV, CAPITAL GAINS AND LOSSES INFORMATION (OVERFLOW)

STATEMENT #134

DESCRIPTION	P-PURCHASE D-DONATION	DATE ACQUIRED	DATE SOLD	SALES PRICE	DEPRECIATION	COST OR		GAINS MINUS	
						OTHER BASIS	GAIN OR LOSS	EXCESS	OR LOSSES
393 SH INTEL CORP	P	2009-05-22	2011-04-19	7,718		5,990	1,728	1,728	1,728
125 SH BANK OF AMERICA	P	2005-06-20	2011-04-21	1,539		5,907	(4,368)	(4,368)	(4,368)
150 SH CENTURY LINK	P	2010-12-22	2011-04-21	5,951		6,960	(1,009)	(1,009)	(1,009)
147 SH JP MORGAN CHASE	P	1999-12-09	2011-04-21	6,541		3,988	2,553	2,553	2,553
100 SH TEVA PHARM	P	2008-05-07	2011-04-21	4,604		4,571	33	33	33
SALE OF LAND	D	1990-01-01	2011-10-17	22,496			22,496	22,496	22,496
300 SH PROGRESS ENERGY	P	2010-12-16	2011-04-19	34			34	34	34
<b>TOTAL</b>				<b>48,883</b>		<b>27,416</b>	<b>21,467</b>	<b>21,467</b>	<b>21,467</b>

THE TURNEY FOUNDATION

75-1043523

2011 FORM 990-PF

SCHEDULE 1

Part II, Line 10a Investments - U.S. and State Government Obligations

The Foundation owned the following securities, which were held at Edward D. Jones & Co., and Charles Schwab as of December 31, 2011.

<u>Stocks and Limited Partnerships</u>	<u>Cost</u>	<u>Fair Market Value at 12-31-11</u>
100 SHS Abbott Laboratories	\$ 5,238	\$ 5,623
480 SHS American Electric Power Co.	25,534	19,829
211 SHS American Water Works Co.	6,020	6,723
346 SHS AT & T, Inc	11,975	10,463
289 SHS Auto Data Processing	11,017	15,609
206 SHS BP Amoco PLC	14,312	8,804
150 SHA BP Prudhoe Bay Realty Tr.	18,332	17,094
217 SHS Bristol-Myers Squibb Co.	6,074	7,647
200 SHS Coca-Cola Co.	11,624	13,994
100 SHS Colgate Palmolive Co.	7,301	9,239
100 SHS Conocophillips	8,973	7,287
200 SHS Duke Energy Corp.	9,054	11,638
175 SHS Exxon Mobil Corp.	5,732	14,833
300 SHS General Electric Co.	8,058	5,373
349 SHS J.P. Morgan Chase & Co.	9,470	11,604
200 SHS Johnson & Johnson	9,283	13,116
160 SHS Kinder Morgan Energy Partners, L.P.	5,630	13,592
167 SHS Kraft Foods, Inc.	4,999	6,239
50 SHS L-3 Communications	5,567	3,334
150 SHS Norfolk Southern Corp.	9,442	10,929
150 SHS Oneok Partners, L.P.	11,824	17,322
100 SHS Pepsico, Inc	6,940	6,635
200 SHS Plains All American L.P.	6,191	14,690
100 SHS Polaris Industries, Inc.	8,019	11,196
200 SHS Proctor & Gamble	12,247	13,342
100 SHS Raytheon Co. Common New	6,462	4,838
300 SHS Southern Company	3,822	13,887
220 SHS Suburban Propane Partners, L.P.	6,463	10,474
255 SHS Sysco Corporation	7,538	7,479
150 SHS U S Bancorp	5,142	4,058
300 SHS Verizon Communications	10,995	12,036
150 SHS Walgreen Company	5,933	4,959
200 SHS Washington Real Estate Invt Tr	7,213	5,470
300 SHS Williams Partners L.P.	13,988	17,997
Total Stocks, Mutual Funds, and Limited Partnerships	\$ 306,412	\$ 357,353

# Proof of Publication

from

## MARSHALL NEWS MESSENGER

P.O. BOX 730

MARSHALL, TX 75670

(903) 935-7914

#221192 # 37.40

**THE ANNUAL REPORT** of the Turney Foundation, Inc is available for public inspection at the following address ABNEY SIMMONS & COMPANY, 215 E Austin, Marshall, Tx 75670 This report is available to any citizen who so request within 180 days after publication of this notice of availability The hours of inspection are from 8 00 a m until 5 p m Monday-Friday Mr Louis Karel, President Cary M Abney, Sec

STATE OF TEXAS  
COUNTY OF HARRISON

On this 10<sup>th</sup> day of May, 20 12  
personally appeared before me the undersigned, a Notary Public in and for said county and state.

DIANNE GRAY

of the MARSHALL NEWS MESSENGER, a daily newspaper published at MARSHALL, County of HARRISON, State of TEXAS, who, being by me duly sworn, states that the attached advertisement, a true copy of which is hereto annexed, was published in said newspaper in its issues thereof on the following dates:

10<sup>th</sup> day of May 20 12  
\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_  
\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_  
\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_  
\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_  
\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_  
\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_

Dianne Gray  
SIGNATURE

Subscribed and sworn to before me this 10<sup>th</sup>  
day of May 20 12.

Mary E. Flanagan  
Notary Public, Harrison County, Texas

My Commission expires 8-1-15

