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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 ,

Name of foundation TEXAS KNIGHTS TEMPLAR EDUCATIONAL FOUNDATION		A Employer identification number 75-2234779
Number and street (or P.O. box number if mail is not delivered to street address) PO BOX 354		B Telephone number (see the instructions) (972) 617-2370
City or town RED OAK		C If exemption application is pending, check here <input type="checkbox"/>
State ZIP code TX 75154		D 1 Foreign organizations, 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		D 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, column (c), line 16) \$ 1,067,295.		
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

(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 (att sch)	2,886.			
2 Ck <input checked="" type="checkbox"/> if the foundn is not req to att Sch B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	31,010.	31,010.	31,010.	
5a Gross rents				
b Net rental income or (loss)				
6a Net gain/(loss) from sale of assets not on line 10				
b Gross sales price for all assets on line 6a				
7 Capital gain net income (from Part IV, line 2)		0.		
8 Net short-term capital gain			0.	
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit/(loss) (att sch)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	33,896.	31,010.	31,010.	
ADMINISTRATIVE EXPENSES				
13 Compensation of officers, directors, trustees, etc				
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)				
b Accounting fees (attach sch)	1,700.			1,700.
c Other prof fees (attach sch)				
17 Interest				
18 Taxes (attach schedule) (see instrs) EXCISE TAX	3,830.			
19 Depreciation (attach sch) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings	1,378.			1,378.
22 Printing and publications				
23 Other expenses (attach schedule) See Line 23 Stmt	18,904.	11,576.	11,576.	18,904.
24 Total operating and administrative expenses. Add lines 13 through 23	25,812.	11,576.	11,576.	21,982.
25 Contributions, gifts, grants paid	21,000.			21,000.
26 Total expenses and disbursements. Add lines 24 and 25	46,812.	11,576.	11,576.	42,982.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-12,916.			
b Net investment income (if negative, enter -0-)		19,434.		
c Adjusted net income (if negative enter -0-)			19,434.	

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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		7,409.	2,986.	2,986.
	2	Savings and temporary cash investments		17,313.	17,930.	17,930.
	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 sch)				
		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)				
	b	Investments – corporate stock (attach schedule) L-10b Stmt		1,009,148.	993,682.	1,046,279.
	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					
	Less accumulated depreciation (attach schedule)					
15	Other assets (describe L-15 Stmt)		100.	100.	100.	
16	Total assets (to be completed by all filers – see the instructions. Also, see page 1, item I)		1,033,970.	1,014,698.	1,067,295.	
LIABILITIES	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, & other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe L-22 Stmt)		40,000.	40,000.	
23	Total liabilities (add lines 17 through 22)		40,000.	40,000.		
NET FUND ASSETS OR	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds		993,970.	974,698.	
	28	Paid-in or capital surplus, or land, building, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
	30	Total net assets or fund balances (see instructions)		993,970.	974,698.	
	31	Total liabilities and net assets/fund balances (see instructions)		1,033,970.	1,014,698.	

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	993,970.
2	Enter amount from Part I, line 27a	2	-12,916.
3	Other increases not included in line 2 (itemize) TO BALANCE	3	2.
4	Add lines 1, 2, and 3	4	981,056.
5	Decreases not included in line 2 (itemize) CAPITAL LOSS FROM SALE OF STOCK	5	6,358.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	974,698.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a 20.912 SHARES OF BAIRD AGGREGATE BD FD		P	Various	08/17/11
b 8.9 SH COLUMBIA MID CAP VALUE		P	Various	08/17/11
c 22.8 SH DODGE & COX INCOME FUND		P	Various	08/17/11
d 37.7 SH EATON VANCE INCOME FD BOSTON		P	Various	08/17/11
e See Columns (a) thru (d)				

(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 228.		221.	7.
b 110.		102.	8.
c 309.		304.	5.
d 214.		211.	3.
e See Columns (e) thru (h)		228,883.	-6,381.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a			7.
b			8.
c			5.
d			3.
e See Columns (i) thru (l)			-6,381.

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	-6,358.
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	-6,358.

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes☒ No

If 'Yes,' the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2010	35,782.	1,030,673.	0.034717
2009	27,893.	863,694.	0.032295
2008	51,967.	1,058,098.	0.049114
2007	54,962.	1,222,719.	0.044951
2006	56,298.	1,127,263.	0.049942

2 Total of line 1, column (d)	2	0.211019
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	0.042204
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	1,097,169.
5 Multiply line 4 by line 3	5	46,305.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	194.
7 Add lines 5 and 6	7	46,499.
8 Enter qualifying distributions from Part XII, line 4	8	42,982.

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)

1 a 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 instrs)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	389.
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	0.
3 Add lines 1 and 2		3	389.
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	389.
6 Credits/Payments			
a 2011 estimated tax pmts and 2010 overpayment credited to 2011	6a		
b Exempt foreign organizations – tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	0.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments Add lines 6a through 6d	7	0.	
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	389.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0.	
11 Enter the amount of line 10 to be Credited to 2012 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11		

Part VII-A. Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)? <i>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</i>		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities</i>		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? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T</i>		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? <i>If 'Yes,' complete Part II, column (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) TX – Texas		
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 <i>General Instruction G</i> ? <i>If 'No,' attach explanation</i>	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)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>		X

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>N/A</u>	13	X	
14	The books are in care of <u>JERRY KIRBY</u> Telephone no <u>(972) 617-2370</u> Located at <u>PO BOX 354</u> <u>RED OAK</u> <u>TX</u> ZIP + 4 <u>75154</u>			
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 <u>15</u>			
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	Yes	No
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If 'Yes,' enter the name of the foreign country			

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	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?	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? If 'Yes,' list the years <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>	<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)	2b	X
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<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)	3b	X
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

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Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

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

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No**b** If any answer is 'Yes' to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5b

Organizations relying on a current notice regarding disaster assistance check here

☐**c** If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?☐ Yes ☐ No

If 'Yes,' attach the statement required by Regulations section 53.4945-5(d)

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

6b

If 'Yes' to 6b, file Form 8870

X

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**b** If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction?

7b

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1** List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
JERRY N KIRBY PO BOX 354 RED OAK TX 75154	TREASURER/DIR 1.00	0.	0.	0.
LEONARD O PIERCE 9154 LARSON HOUSTON TX 77055	PRESIDENT/DIR 1.00	0.	0.	0.
THOMAS N TURNER 2521 PINEHURST WEST COLUMBIA TX 77566	SEC/DIR 1.00	0.	0.	0.
BUFORD J. YOUNG PO BOX 354 RED OAK TX 75154	VP/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				
0				
0				
0				
0				

Total number of other employees paid over \$50,000

☐

None

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

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

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 COLLEGE SCHOLARSHIPS - SEE PART XIV, FORM 990-PF	
	21,000.
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
	0.
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3	None

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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	1,091,736.
b	Average of monthly cash balances	1b	22,141.
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	1,113,877.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	1,113,877.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	16,708.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,097,169.
6	Minimum investment return. Enter 5% of line 5	6	54,858.

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	54,858.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	389.
b	Income tax for 2011 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	389.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	54,469.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	54,469.
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	54,469.

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	42,982.
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	42,982.
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	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	42,982.

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				54,469.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			18,171.	
b Total for prior years 20__, 20__, 20__				
3 Excess distributions carryover, if any, to 2011				
a From 2006	0.			
b From 2007	0.			
c From 2008	0.			
d From 2009	0.			
e From 2010	0.			
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ 42,982.				
a Applied to 2010, but not more than line 2a			18,171.	
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				24,811.
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))				
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				
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 instructions			0.	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				29,658.
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)	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	0.			
b Excess from 2008	0.			
c Excess from 2009	0.			
d Excess from 2010	0.			
e Excess from 2011	0.			

N/A

4942(1)(5)

(4) Gross investment income

[illegible]

NONE

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<i>a Paid during the year</i> VARIOUS SCHOLARSHIPS SEE ATTACHED SCHEDULE	SEE ATTACHED SCHEDULE	SEE ATTACHED	SCHOLARSHIPS	21,000.
Total				21,000.
<i>b Approved for future payment</i>				
Total				

Part XVI-A Analysis of Income-Producing Activities

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) Exclu- sion 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					
4 Dividends and interest from securities					31,010.
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					
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)					31,010.
13 Total. Add line 12, columns (b), (d), and (e)					31,010.

(See worksheet in line 13 instructions to verify calculations.)

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

[illegible]

Form 990-PF, Page 1, Part I, Line 23

Line 23 Stmt

Other expenses.	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
POSTAGE	13.			13.
SALARY/EXPENSE REIMBURSEMENT	7,262.			7,262.
TELEPHONE	53.			53.
INVESTMENT MANAGMENT FEES	11,576.	11,576.	11,576.	11,576.
Total	18,904.	11,576.	11,576.	18,904.

Form 990-PF, Part IV, Capital Gains and Losses for Tax on Investment Income

Columns (a) thru (d)

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
15.4 SH HARTFORD DIVIDEND & GROWTH	P	Various	08/17/11
18.5 SH ING GLOBAL REAL ESTATE FUND	P	Various	08/17/11
40 SH JPMORGAN CORE BOND FUND	P	Various	08/17/11
49.8 SH LOOMIS SAYLES INVT GRADE BD	P	Various	08/17/11
24.8 SH LORD ABBETT TOTAL RETURN	P	Various	08/17/11
51.7 SH MANAGERS CADENCE CAP APPREC	P	Various	08/17/11
12.1 SH MFS VALUE FUND	P	Various	08/17/11
44.3 SH OPPENHEIMER INTL BOND FUND	P	Various	08/17/11
315.5 SH OPPENHEIMER CMD STRAT	P	Various	08/17/11
31.5 SH T ROWE PRICE DIVEDEND GROWTH	P	Various	08/17/11
3047 SH BAIRD AGGREGATE BD FD	P	Various	09/06/11
29.8 SH COLUMBIA MID CAP VALUE	P	Various	09/06/11
1639 SH DODGE & COX INCOME FUND	P	Various	09/06/11
58.1 SH EATON VANCE INCOME FD	P	Various	09/06/11
58.6 SH HARTFORD DIVIDEND & GRWOTH	P	Various	09/06/11
45.1 SH ING GLOBAL REAL ESTATE FUND	P	Various	09/06/11
2882.2 SH JPMORGAN CORE BOND FUND	P	Various	09/06/11
131.3 SH LOOMIS SALEY INVT GRADE	P	Various	09/06/11
3985.2 SH LORD ABBETT TOTAL RETURN	P	Various	09/06/11
156.1 SH MANAGERS CADENCE CAP APPREC	P	Various	09/06/11
51.4 SH MFS VALUE FUND	P	Various	09/06/11
144.9 SH OPPENHEIMER INTL BOND FUND	P	Various	09/06/11
12647 SH OPPENHEIMER CMD STRAT	P	Various	09/06/11
109.6 SH T ROWE PRICE DIVIDEND GRWTH	P	Various	09/06/11
33 SH BAIRD AGGREGATE BD FD	P	Various	11/18/11
40.7 SH COLUMBIA MID CAP VALUE	P	Various	11/18/11
70.2 SH DODGE & COX INCOME FUND	P	Various	11/18/11
67.2 SH EATON VANCE INCOME FD	P	Various	11/18/11
54 SH HARFORD DIVIDEND & GROWTH	P	Various	11/18/11
97.5 SH JPMORGAN CORE BOND FUND	P	Various	11/18/11
5.9 SH LOOMIS SAYLES INVT GRADE	P	Various	11/18/11
35.1 SH LORD ABBETT TOTAL RETURN	P	Various	11/18/11
89.1 MANAGERS CADENCE CAP	P	Various	11/18/11
44.5 METRO WEST TOTAL RETURN BOND	P	Various	11/18/11
60.1 MFS VALUE FUND	P	Various	11/18/11
61 T ROWE PRICE DIVDEND GROWTH	P	Various	11/18/11
66.3 T ROWE PRICE PRICE NEW INCOME FUND	P	Various	11/18/11
85.9 SH COLUMBIA MID CAP VALUE	P	Various	07/12/11
28.2 DODGE & COX INTL STOCK FUND	P	Various	07/12/11

Form 990-PF, Part IV, Capital Gains and Losses for Tax on Investment Income

Continued

Columns (a) thru (d)

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
12.2 EATON VANCE INCOME	P	Various	07/12/11
67.6 SH HARTFORD DIVIDEND & GRWOTH	P	Various	07/12/11
38.4 SH ING GLOBAL REAL ESTATE FUND	P	Various	07/12/11
118.5 MANAGERS CADENCE CAP APPREC	P	Various	07/12/11
65.5 SH MFS VALUE FUND	P	Various	07/12/11
302.3 SH PPENHEIMER CMD STRAT	P	Various	07/12/11
75 SH T ROWE PRICE DIVIDEND GROWTH	P	Various	07/12/11
37.6 SH THORNBURG INTL VALUE FUND	P	Various	07/12/11
CAPITAL GAINS DISTRIBUTIONS	P	Various	Various

Form 990-PF, Part IV, Capital Gains and Losses for Tax on Investment Income

Columns (e) thru (h)

(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)
275.		260.	15.
294.		263.	31.
474.		458.	16.
626.		601.	25.
275.		274.	1.
804.		722.	82.
262.		246.	16.
298.		277.	21.
1,145.		992.	153.
686.		624.	62.
33,031.		32,270.	761.
375.		338.	37.
22,065.		45,793.	-23,728.
328.		321.	7.
1,064.		988.	76.
729.		642.	87.
34,040.		32,963.	1,077.
1,642.		1,583.	59.
43,798.		44,024.	-226.
2,479.		2,176.	303.
1,128.		1,044.	84.
981.		905.	76.
47,553.		39,775.	7,778.
2,459.		2,183.	276.
359.		350.	9.
506.		460.	46.
938.		727.	211.
378.		371.	7.
974.		910.	64.
1,157.		1,116.	41.
72.		71.	1.
386.		388.	-2.
1,423.		1,242.	181.

Form 990-PF, Part IV, Capital Gains and Losses for Tax on Investment Income
Columns (e) thru (h)

Continued

(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)
466.		469.	-3.
1,319.		1,221.	98.
1,379.		1,262.	117.
643.		642.	1.
1,228.		970.	258.
1,005.		850.	155.
72.		69.	3.
1,330.		1,140.	190.
659.		547.	112.
2,053.		1,654.	399.
1,567.		1,331.	236.
1,152.		951.	201.
1,821.		1,495.	326.
1,112.		925.	187.
3,692.		0.	3,692.
Total		228,883.	-6,381.

Form 990-PF, Part IV, Capital Gains and Losses for Tax on Investment Income
Columns (i) thru (l)Complete only for assets showing gain in column (h) and owned
by the foundation on 12/31/69

(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (column (h) gain minus column (k), but not less than -0-) or losses (from column (h))
			15.
			31.
			16.
			25.
			1.
			82.
			16.
			21.
			153.
			62.
			761.
			37.
			-23,728.
			7.
			76.
			87.
			1,077.
			59.
			-226.
			303.
			84.
			76.
			7,778.

Form 990-PF, Part IV, Capital Gains and Losses for Tax on Investment Income

Continued

Columns (i) thru (l)

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

(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (column (h) gain minus column (k), but not less than -0-) or losses (from column (h))
			276.
			9.
			46.
			211.
			7.
			64.
			41.
			1.
			-2.
			181.
			-3.
			98.
			117.
			1.
			258.
			155.
			3.
			190.
			112.
			399.
			236.
			201.
			326.
			187.
			3,692.
Total			-6,381.

Form 990-PF, Page 2, Part II, Line 10b

L-10b Stmt

Line 10b - Investments - Corporate Stock:	End of Year	
	Book Value	Fair Market Value
SEE ATTACHED STATEMENT	993,682.	1,046,279.
Total	993,682.	1,046,279.

Form 990-PF, Page 2, Part II, Line 15

Other Assets Stmt

Line 15 - Other Assets:	Beginning Year Book Value	End of Year	
		Book Value	Fair Market Value
DUE FROM GRAND COMMANDERY	100.	100.	100.

Form 990-PF, Page 2, Part II, Line 15

Continued

Other Assets Stmt

Line 15 - Other Assets:	Beginning Year Book Value	End of Year	
		Book Value	Fair Market Value
Total	<u>100.</u>	<u>100.</u>	<u>100.</u>

Form 990-PF, Page 2, Part II, Line 22

Other Liab Stmt

Line 22 - Other Liabilities:	Beginning Year Book Value	Ending Year Book Value
DUE TO GRAND COMMANDERY	40,000.	40,000.
Total	<u>40,000.</u>	<u>40,000.</u>

TEXAS KNIGHTS TEMPLAR EDUCATION FOU 75-2234779
FORM 990-PF 2010
PART II, PAGE 2, LINE 10 B (B)

STOCKS

BAIRD AGGREGATE BD FD	32442
COLUMBIA MID CAP VALUE	29138
CREDIT SUISSE CMD	43364
DODGE & COX INCOME FUND	84419
DODGE & COX INTL STK	94497
EATON VANCE INCOME FD	21759
HARTFORD DIVIDEND & GROWTH FUND	60331
ING GLOBAL REAL ESTATE	29129
JPMORGAN CORE BOND FUND SELECT	104556
LOOMIS SAYLES INVT GRADE	53821
LORD ABBETT TOTAL RETURN	34037
MANAGERS CADENCE CAP APPR	56025
METRO WEST TOTAL RETURN	65518
MFS VALUE FUND	69915
OPPENHEIMER INTL BOND FUND	30821
T ROWE PRICE DIV GROWWTH	57138
T ROWE PRICE NEW INCOME FUND	65063
THORNBURG INT VLAUE FUND	61707
Total STOCKS	993682

TEXAS KNIGHTS TEMPLAR EDUCATIONAL FOUNDATION

990-PF PART II, Page 2, LINE 10 b(c)

2011

75-2234779

Summary of Assets (as of Dec 31, 2011)

Advisory Solutions Fund Model

					Ending Balance
Cash & Money Market					
Money Market 0.01%*					\$43.84
Mutual Funds	Price	Quantity	Amount Invested Since Inception	Amount Withdrawn Since Inception	Value
Baird Aggregate Bond	10.65	3,062.713	81,126.07	-34,397.13	32,617.89
Columbia Mid Cap Value	12.81	2,580.93	31,878.85	-3,665.48	33,061.71
Credit Suisse Comm Ret Strat	8.18	4,532.373	43,308.24	—	37,074.81
Dodge & Cox Income	13.30	8,134.284	123,489.82	-24,861.64	108,185.98
Dodge & Cox Intl Stock	29.24	3,130.828	96,519.17	-6,523.00	91,539.56
Eaton Vance Inc Fund Boston	5.66	3,887.887	20,448.41	-1,298.87	22,005.44
Hartford Dividend & Growth	18.81	3,578.441	—	—	67,310.48
ING Global Real Estate	15.00	2,050.708	29,788.81	-2,673.32	30,760.59
JP Morgan Core Bond	11.83	9,140.612	133,409.21	37,525.16	108,133.44
JP Morgan Fed Mon Mkt	1.00	17,886.37	—	—	17,886.37
Loomis Sayles Inv Grade Bd	11.94	4,466.41	50,888.92	-3,039.33	53,328.94
Lord Abbett Total Return	10.57	3,087.133	71,509.33	-45,299.61	32,631.00
Managers Cadence Cap App	15.78	4,018.062	64,227.09	-9,835.06	63,405.02

201 Progress Parkway
Maryland Heights, MO 63043-3042

www.edwardjones.com
Member SIPC

Summary of Assets (continued)

Mutual Funds	Price	Quantity	Amount Invested Since Inception	Amount Withdrawn Since Inception	Value
Metropolitan West Til Ret Bd	10.37	8,235.168	64,789.57	-468.01	64,858.69
MFS Value	22.47	3,443.318	73,703.71	-6,859.41	77,371.38
Oppenheimer Intl Bd	6.20	4,936.654	29,840.17	-1,877.73	30,607.25
T. Rowe Price Dividend Growth	23.34	2,888.46	62,917.86	-8,356.40	68,949.86
T. Rowe Price New Income	9.88	6,721.674	64,789.57	-643.14	65,085.80
Thornburg International Value	24.58	2,504.917	64,077.53	-4,366.24	61,570.86

Total Account Value

\$1,064,208.89

TEXAS KNIGHTS TEMPLAR EDUCATION FOUNDATION 75-2234779

FORM 990-PF 2010

PAGE 11, PART XV, LINE 3A

SCHOLARSHIP RECIPIENTS – THERE IS NO RELATIONSHIP TO ANY MANAGER OR SUBSTANTIAL CONTRIBUTOR

Lauren Little	\$1,000.00
---------------	------------

12108 Cartwright

Italy Texas 76651

Jennifer Madole	\$1,000.00
-----------------	------------

8127 Wheat Lane

Beaumont. Texas 77705

Jesse Medina	\$1,000.00
--------------	------------

202 Timberidge Drive

Kingsland, Texas 78639

Omar Mascorro	\$1,000.00
---------------	------------

130 St. John Ave

San Benito, Texas 78586

Kaitlyn O'Dell	\$1,000.00
----------------	------------

3623 Winstrome Ct

Katy, Texas 77449

Jonathan Parker	\$1,000.00
-----------------	------------

4621 TX HWY 77E

Atlanta, Texas 75551

Jonathan Rice	\$1,000 00
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2246 Ridgeview

Kingsland, Texas 78639

Dakota Smith	\$1,000.00
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TEXAS KNIGHTS TEMPLAR EDUCATION FOUNDATION 75-2234779

FORM 990-PF 2010

PAGE 11, PART XV, LINE 3A

10535 Somerton Drive

Dallas, Texas 75229

Christopher Szymankiewicz	\$1,000.00
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3031 Clearcreek Drive

Midlothian, Texas 76065

Thomas Szymankiewicz	\$1,000.00
----------------------	------------

3031 Clearcreek Drive

Midlothian, Texas 76065

Travis Green	\$2,000.00
--------------	------------

2408 Spoonbill Drive

League City, Texas 77573

2011 Recipients for Spring Semester 2012

Jonathan Parker	\$1,000.00
-----------------	------------

4621 TX HWY 77E

Atlanta, Texas 75551

Chelsea Pierce	\$1,000.00
----------------	------------

3305 Coastwood Ln

Pearland, Texas 77584

Stacey Plunkett	\$1,000.00
-----------------	------------

2716 CR 854

Cushing, Texas 75760

Jonathan Rice	\$1,000.00
---------------	------------

2246 Ridgeview

Kingsland, Texas 78639

Jeremy Sanchez	\$1,000.00
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TEXAS KNIGHTS TEMPLAR EDUCATION FOUNDATION 75-2234779

FORM 990-PF 2010

PAGE 11, PART XV, LINE 3A

1104 Mayberry

Lufkin, Texas 75901

Taylor Walling \$1,000.00

8441 Glen Eagles Drive

Ovilla, Texas 75154

Ashlee Winstead \$1,000.00

1821 S. Jackson APT 16

San Angelo, Texas 76904

Lily Fenton \$2,000.00

14207 Bold Ruler

San Antonio, Texas 78248