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Form **990-PF**

Department of the Treasury  
Internal Revenue Service

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

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






OMB No 1545-0052

**2012**  
Open to Public Inspection

For calendar year 2012, or tax year beginning 01-01-2012 , and ending 12-31-2012

Name of foundation W D KELLEY FOUNDATION		<b>A Employer identification number</b>  74-3007226	
Number and street (or P O box number if mail is not delivered to street address) 707 ROCK STREET		<b>B Telephone number</b> (see instructions)  (512) 863-2575	
City or town, state, and ZIP code GEORGETOWN, TX 78626		<b>C</b> If exemption application is pending, check here <input type="checkbox"/>	
<b>G</b> Check all that apply <div><input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change</div> <div><input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change</div>		<b>D 1.</b> Foreign organizations, check here <input type="checkbox"/> <b>2.</b> Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>	
<b>H</b> 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		<b>E</b> If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> <b>F</b> If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>	
<b>I</b> Fair market value of all assets at end of year (from Part II, col. (c), line 16) <b>\$</b> 8,148,250		<b>J</b> 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	<b>1</b> Contributions, gifts, grants, etc , received (attach schedule)				
	<b>2</b> Check <input checked="" type="checkbox"/> if the foundation is <b>not</b> required to attach Sch B				
	<b>3</b> Interest on savings and temporary cash investments				
	<b>4</b> Dividends and interest from securities. . . . .	45,887	45,887		
	<b>5a</b> Gross rents . . . . .				
	<b>b</b> Net rental income or (loss) _____				
	<b>6a</b> Net gain or (loss) from sale of assets not on line 10	87,721			
	<b>b</b> Gross sales price for all assets on line 6a _____ 556,753				
	<b>7</b> Capital gain net income (from Part IV , line 2) . . . .		87,721		
	<b>8</b> Net short-term capital gain . . . . .				
	<b>9</b> Income modifications . . . . .				
	<b>10a</b> Gross sales less returns and allowances				
Operating and Administrative Expenses	<b>b</b> Less Cost of goods sold . . . . .				
	<b>c</b> Gross profit or (loss) (attach schedule) . . . . .				
	<b>11</b> Other income (attach schedule) . . . . .	2,361	2,361		
	<b>12 Total.</b> Add lines 1 through 11 . . . . .	135,969	135,969		
	<b>13</b> Compensation of officers, directors, trustees, etc	84,000	25,200		58,800
	<b>14</b> Other employee salaries and wages . . . . .	12,600	3,780		8,820
	<b>15</b> Pension plans, employee benefits . . . . .	7,390	2,217		5,173
	<b>16a</b> Legal fees (attach schedule) . . . . .				
	<b>b</b> Accounting fees (attach schedule) . . . . .	5,650	1,695		3,955
	<b>c</b> Other professional fees (attach schedule) . . . . .	750	225		525
	<b>17</b> Interest . . . . .				
	<b>18</b> Taxes (attach schedule) (see instructions)	22,106	22,106		
	<b>19</b> Depreciation (attach schedule) and depletion . . . .	973			
	<b>20</b> Occupancy . . . . .	4,579	1,374		3,205
	<b>21</b> Travel, conferences, and meetings . . . . .	637			637
	<b>22</b> Printing and publications . . . . .				
	<b>23</b> Other expenses (attach schedule) . . . . .	14,084	7,465		6,316
	<b>24 Total operating and administrative expenses.</b> Add lines 13 through 23 . . . . .	152,769	64,062		87,431
	<b>25</b> Contributions, gifts, grants paid . . . . .	311,600			311,600
	<b>26 Total expenses and disbursements.</b> Add lines 24 and 25	464,369	64,062		399,031
	<b>27</b> Subtract line 26 from line 12				
	<b>a Excess of revenue over expenses and disbursements</b>	-328,400			
	<b>b Net investment income</b> (if negative, enter -0-)		71,907		
	<b>c Adjusted net income</b> (if negative, enter -0-)				

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions )	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing . . . . .			
	2	Savings and temporary cash investments . . . . .	9,629	18,808	18,808
	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 page 15 of the 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 . . . . .	1,385	1,385	1,385
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule) . . . . .	1,978,146	 1,644,236	1,571,611
	c	Investments—corporate bonds (attach schedule). . . . .	44,799	 44,653	
	11	Investments—land, buildings, and equipment basis ▶ _____ 3,470,973 Less accumulated depreciation (attach schedule) ▶ _____	3,470,973	 3,470,973	6,545,194
	12	Investments—mortgage loans . . . . .			
	13	Investments—other (attach schedule) . . . . .	10,137	 9,000	9,000
	14	Land, buildings, and equipment basis ▶ _____ 18,434 Less accumulated depreciation (attach schedule) ▶ _____ 16,182	2,307	 2,252	2,252
	15	Other assets (describe ▶ _____)			
	16	<b>Total assets</b> (to be completed by all filers—see the instructions Also, see page 1, item I)	5,517,376	5,191,307	8,148,250

Liabilities	17	Accounts payable and accrued expenses . . . . .		2,331	
	18	Grants payable . . . . .			
	19	Deferred revenue . . . . .			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule) . . . . .			
	22	Other liabilities (describe ▶ _____)			
	23	<b>Total liabilities</b> (add lines 17 through 22) . . . . .		2,331	

Net Assets or Fund Balances		<b>Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/></b> <b>and complete lines 24 through 26 and lines 30 and 31.</b>			
	24	Unrestricted . . . . .			
	25	Temporarily restricted . . . . .			
	26	Permanently restricted . . . . .			
		<b>Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/></b> <b>and complete lines 27 through 31.</b>			
	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	5,517,376	5,188,976	
	30	<b>Total net assets or fund balances</b> (see page 17 of the instructions) . . . . .	5,517,376	5,188,976	
	31	<b>Total liabilities and net assets/fund balances</b> (see page 17 of the instructions) . . . . .	5,517,376	5,191,307	

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	5,517,376
2	Enter amount from Part I, line 27a . . . . .	2	-328,400
3	Other increases not included in line 2 (itemize) ▶ _____	3	
4	Add lines 1, 2, and 3 . . . . .	4	5,188,976
5	Decreases not included in line 2 (itemize) ▶ _____	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 . . . . .	6	5,188,976

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co )		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr )	(d) Date sold (mo , day, yr )
1a	See Additional Data Table			
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 See Additional Data Table			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a See Additional Data Table			
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	87,721
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	3,620

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 page 18 of 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))
2011	311,844	8,680,455	0 035925
2010	157,899	8,363,719	0 018879
2009	766,321	8,166,326	0 093839
2008	484,325	9,210,429	0 052584
2007	437,438	9,706,510	0 045066

2	Total of line 1, column (d). . . . .	2	0 246293
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 049259
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5. . . . .	4	8,285,793
5	Multiply line 4 by line 3. . . . .	5	408,150
6	Enter 1% of net investment income (1% of Part I, line 27b). . . . .	6	719
7	Add lines 5 and 6. . . . .	7	408,869
8	Enter qualifying distributions from Part XII, line 4. . . . .	8	399,031

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 VIExcise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the 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 type="checkbox"/> and enter 1% of Part I, line 27b . . . . .		1	1,438
c		All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
2		Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	
3		Add lines 1 and 2. . . . .		3	1,438
4		Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	
5		Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0- . . . . .		5	1,438
6		Credits/Payments			
a		2012 estimated tax payments and 2011 overpayment credited to 2012	6a	1,385	
b		Exempt foreign organizations—tax withheld at source . . . . .	6b		
c		Tax paid with application for extension of time to file (Form 8868)	6c	1,600	
d		Backup withholding erroneously withheld . . . . .	6d		
7		Total credits and payments Add lines 6a through 6d. . . . .		7	2,985
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	1,547
11		Enter the amount of line 10 to be Credited to 2013 estimated tax <input type="checkbox"/> 1,547	Refunded <input type="checkbox"/>	11	

Part VII-AStatements Regarding Activities

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? . . . . .		Yes	No
		1a		No
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)? . . . . .			No
	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.			
c	Did the foundation file Form 1120-POL for this year?. . . . .	1c		No
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? . . . . .	2		No
	If "Yes," attach a detailed description of the activities.			
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 . . . . .	3		No
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?. . . . .	4a		No
b	If "Yes," has it filed a tax return on Form 990-T for this year?. . . . .	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? . . . . .	5		No
	If "Yes," attach the statement required by General Instruction T.			
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? . . . . .	6	Yes	
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	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> TX _____			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation .	8b	Yes	
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 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? If "Yes," complete Part XIV . . . . .	9		No
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		No

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		No
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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	
Website address ▶N/A				
14	The books are in care of ▶DALE ILLIG Telephone no ▶(512) 863-2575 Located at ▶707 ROCK ST GEORGETOWN TX ZIP +4 ▶78626			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of <b>Form 1041</b> —Check here . . . . . ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year . . . . . ▶	15		
16	At any time during calendar year 2012, 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		No
See 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 checked="" type="checkbox"/> Yes <input 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? ( <b>Exception.</b> 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 <b>any</b> 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 page 20 of the instructions)?. . . Organizations relying on a current notice regarding disaster assistance check here. . . . . ▶ <input type="checkbox"/>	1b		No
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 2012?. . . . .	1c		
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 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012?. . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ 20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is <b>not</b> 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 <b>all</b> years listed, answer "No" and attach statement—see instructions ). . . . .	2b		
c	If the provisions of section 4942(a)(2) are being applied to <b>any</b> of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____			
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 2012 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? ( <i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2012.</i> ). . . . .	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
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 2012?	4b		No

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

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?

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
THOMAS BAIRD 401 N 3RD ST 401 N ERD ST TEMPLE, TX 76501	DIRECTOR 0 50	0	0	0
HERBERT NELSON 30308 ST ANDREW 30308 ST ANDREW GEORGETOWN, TX 78628	DIRECTOR 1 00	0	0	0
SANDRA ILLIG 707 ROCK ST 707 ROCK ST GEORGETOWN, TX 78626	SECRETARY 1 00	0	0	0
DALE ILLIG 707 ROCK ST 707 ROCK ST GEORGETOWN, TX 78626	PRESIDENT 25 00	84,000	0	0

2

Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

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

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## Part VIII

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

## Part IX-A

## Expenses

2

3

4

## Part IX-B

Amount

**1 N/A**

2

All other program-related investments See page 24 of the instructions

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	1,810,527
b	Average of monthly cash balances. . . . .	1b	46,813
c	Fair market value of all other assets (see instructions). . . . .	1c	6,554,633
d	Total (add lines 1a, b, and c). . . . .	1d	8,411,973
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	8,411,973
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions). . . . .	4	126,180
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	8,285,793
6	Minimum investment return. Enter 5% of line 5. . . . .	6	414,290

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	414,290
2a	Tax on investment income for 2012 from Part VI, line 5. . . . .	2a	1,438
b	Income tax for 2012 (This does not include the tax from Part VI ). . . . .	2b	
c	Add lines 2a and 2b. . . . .	2c	1,438
3	Distributable amount before adjustments Subtract line 2c from line 1. . . . .	3	412,852
4	Recoveries of amounts treated as qualifying distributions. . . . .	4	
5	Add lines 3 and 4. . . . .	5	412,852
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	412,852

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	399,031
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	399,031
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions). . . . .	5	
6	Adjusted qualifying distributions. Subtract line 5 from line 4. . . . .	6	399,031
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 2011	(c) 2011	(d) 2012
1	Distributable amount for 2012 from Part XI, line 7				412,852
2	Undistributed income, if any, as of the end of 2012				
a	Enter amount for 2011 only. . . . .				
b	Total for prior years 20____, 20____, 20____				
3	Excess distributions carryover, if any, to 2012				
a	From 2007. . . . .				
b	From 2008. . . . .				
c	From 2009. . . . . 12,237				
d	From 2010. . . . .				
e	From 2011. . . . .				
f	Total of lines 3a through e. . . . .	12,237			
4	Qualifying distributions for 2012 from Part XII, line 4 ▶ \$ 399,031				
a	Applied to 2011, but not more than line 2a				
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 2012 distributable amount. . . . .				399,031
e	Remaining amount distributed out of corpus				
5	Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)	12,237			12,237
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 2011 Subtract line 4a from line 2a Taxable amount—see instructions . . . . .				
f	Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013. . . . .				1,584
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 2007 not applied on line 5 or line 7 (see instructions). . .				
9	Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a. . . . .				
10	Analysis of line 9				
a	Excess from 2008. . . .				
b	Excess from 2009. . . .				
c	Excess from 2010. . . .				
d	Excess from 2011. . . .				
e	Excess from 2012. . . .				

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 2012, enter the date of the ruling.

b

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

☐ 4942(j)(3) or ☐ 4942(j)(5)

2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed.	Tax year	Prior 3 years			(e) Total
		(a) 2012	(b) 2011	(c) 2010	(d) 2009	
b	85% of line 2a					
c	Qualifying distributions from Part XII, line 4 for each year listed.					
d	Amounts included in line 2c not used directly for active conduct of exempt activities.					
e	Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c.					
3	Complete 3a, b, or c for the alternative test relied upon					
a	"Assets" alternative test—enter					
	(1) Value of all assets					
	(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b	"Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed.					
c	"Support" alternative test—enter					
	(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties).					
	(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii).					
	(3) Largest amount of support from an exempt organization					
	(4) Gross investment income					

Part XV

Supplementary Information (Complete this part only if the organization 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) )

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

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 or e-mail of the person to whom applications should be addressed

DALE ILLIG  
707 ROCK STREET  
GEORGETOWN, TX 78626  
(512) 863-2575

b

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

SEE ATTACHED OUTLINE FOR GRANT APPLICATION GUIDELINES AND GRANT REQUIREMENTS

c

Any submission deadlines

GRANT DECISION AWARD DATES ARE JULY & DECEMBER

d

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

SEE AREAS OF FUNDING INTEREST DESCRIBED IN THE ATTACHED GRANT APPLICATION GUIDELINES

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 Additional Data Table				
Total . . . . .			3a	311,600
b Approved for future payment				
Total . . . . .			3b	

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	
<b>1</b> Program service revenue					
<b>a</b> _____					
<b>b</b> _____					
<b>c</b> _____					
<b>d</b> _____					
<b>e</b> _____					
<b>f</b> _____					
<b>g</b> Fees and contracts from government agencies					
<b>2</b> Membership dues and assessments. . . . .					
<b>3</b> Interest on savings and temporary cash investments					
<b>4</b> Dividends and interest from securities. . . . .			14	45,887	
<b>5</b> Net rental income or (loss) from real estate					
<b>a</b> Debt-financed property. . . . .					
<b>b</b> Not debt-financed property. . . . .					
<b>6</b> Net rental income or (loss) from personal property					
<b>7</b> Other investment income. . . . .			14	2,361	
<b>8</b> Gain or (loss) from sales of assets other than inventory			14	87,721	
<b>9</b> Net income or (loss) from special events					
<b>10</b> Gross profit or (loss) from sales of inventory. . .					
<b>11</b> Other revenue <b>a</b> _____					
<b>b</b> _____					
<b>c</b> _____					
<b>d</b> _____					
<b>e</b> _____					
<b>12</b> Subtotal. Add columns (b), (d), and (e). . .				135,969	
<b>13 Total.</b> Add line 12, columns (b), (d), and (e). . . . .			<b>13</b>		135,969

[illegible]

<b>1</b> Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		<b>Yes</b>	<b>No</b>
<b>a</b> Transfers from the reporting foundation to a noncharitable exempt organization of			
<b>(1)</b> Cash. . . . .	<b>1a(1)</b>		<b>No</b>
<b>(2)</b> Other assets. . . . .	<b>1a(2)</b>		<b>No</b>
<b>b</b> Other transactions			
<b>(1)</b> Sales of assets to a noncharitable exempt organization. . . . .	<b>1b(1)</b>		<b>No</b>
<b>(2)</b> Purchases of assets from a noncharitable exempt organization. . . . .	<b>1b(2)</b>		<b>No</b>
<b>(3)</b> Rental of facilities, equipment, or other assets. . . . .	<b>1b(3)</b>		<b>No</b>
<b>(4)</b> Reimbursement arrangements. . . . .	<b>1b(4)</b>		<b>No</b>
<b>(5)</b> Loans or loan guarantees. . . . .	<b>1b(5)</b>		<b>No</b>
<b>(6)</b> Performance of services or membership or fundraising solicitations. . . . .	<b>1b(6)</b>		<b>No</b>
<b>c</b> Sharing of facilities, equipment, mailing lists, other assets, or paid employees. . . . .	<b>1c</b>		<b>No</b>
<b>d</b> If the answer to any of the above is "Yes," complete the following schedule. Column <b>(b)</b> should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column <b>(d)</b> the value of the goods, other assets, or services received.			

[illegible]

**2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? . . . . ☐ Yes ☒ No

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

(a) Name of organization	(b) Type of organization	(c) Description of relationship

**Paid  
Preparer  
Use Only**

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

*****	2013-05-13	*****	
Signature of officer or trustee	Date	Title	May the IRS discuss this return with the preparer shown below (see Instr. 7)? <input type="checkbox"/> Yes <input type="checkbox"/> No

May the IRS discuss this return with the preparer shown below (see instr )? ☐ Yes ☐ No

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed <input checked="checked" type="checkbox"/>	PTIN
	PATRICIA A KATT	PATRICIA A KATT	2013-06-05		
	Firm's name <input type="checkbox"/>	JOHN F LEWIS PC 3613 WILLIAMS DRIVE STE 501		Firm's EIN <input type="checkbox"/>	
	Firm's address <input type="checkbox"/>	GEORGETOWN, TX 786281371		Phone no (512) 863-5720	

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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 )
100 BOEING CO ODDLOT TENDER OFFER	P	2011-01-07	2012-01-04
62 091 LAUDUS INT'L MARKETMASTERS FD	P	2012-12-06	2012-12-10
200 EL PASO CORPORATION	P	2008-06-25	2012-05-17
100 F E I COMPANY	P	2011-04-06	2012-06-18
292 81 LAUDUS INT'L MARKETMASTERS FD	P	2008-12-17	2012-12-10
100 EXELON CORPORATION	P	2011-02-03	2012-01-05
KINDER MORGAN CASH IN LIEU	P	2012-05-31	2012-06-01
200 EL PASO CORPORATION	P	2010-02-09	2012-05-17
200 ANNALY CAPITAL MGMT REIT	P	2010-08-17	2012-07-18
79 296 LAUDUS INT'L MARKETMASTERS FD	P	2009-12-17	2012-12-10
100 EXELON CORPORATION	P	2011-03-22	2012-01-05
24 KINDER MORGAN HOLDCO LLC	P	2012-05-31	2012-12-12
200 EL PASO CORPORATION	P	2010-11-09	2012-05-17
200 ANNALY CAPITAL MGMT REIT	P	2010-09-08	2012-07-18
33 008 LAUDUS INT'L MARKETMASTERS FD	P	2010-12-16	2012-12-10
100 EXELON CORPORATION	P	2011-03-28	2012-01-05
441 KINDER MORGAN HOLDCO LLC	P	2012-05-31	2012-12-12
500 ENTERPRISE PRD PRTNRS LP	P	2011-02-17	2012-06-13
200 ANNALY CAPITAL MGMT REIT	P	2010-09-17	2012-07-18
100 LIFE TECHNOLOGIES CORP	P	2010-12-09	2012-12-10
100 EXELON CORPORATION	P	2011-03-28	2012-01-05
100 BOEING CO	P	2010-12-30	2012-01-04
300 ENTERPRISE PRD PRTNRS LP	P	2011-04-06	2012-06-13
300 ANNALY CAPITAL MGMT REIT	P	2010-09-17	2012-08-09
100 LIFE TECHNOLOGIES CORP	P	2010-12-10	2012-12-10
200 EXELON CORPORATION	P	2011-04-06	2012-01-05
200 ABBOTT LABORATORIES	P	2010-12-14	2012-01-30
100 JP MORGAN EXCH TRAD NOTE	P	2010-08-18	2012-06-18
500 ANNALY CAPITAL MGMT REIT	P	2010-09-23	2012-08-09
100 LIFE TECHNOLOGIES CORP	P	2010-12-14	2012-12-10

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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 )
38 BOEING CO ODDLOT TENDER OFFER	P	2011-04-19	2012-02-29
200 BOEING CO	P	2011-01-10	2012-02-29
200 JP MORGAN EXCH TRAD NOTE	P	2010-09-22	2012-06-18
400 EXXON MOBIL CORPORATION	P	2001-08-10	2012-08-21
100 LIFE TECHNOLOGIES CORP	P	2010-12-16	2012-12-10
162 BOEING CO ODDLOT TENDER OFFER	P	2011-04-19	2012-02-29
100 BOEING CO	P	2011-02-01	2012-02-29
50 JP MORGAN EXCH TRAD NOTE	P	2010-09-28	2012-06-18
200 EXXON MOBIL CORPORATION	P	2005-03-10	2012-08-21
200 INTEL CORP	P	2012-01-13	2012-03-01
100 INTEL CORP	P	2011-01-04	2012-03-01
24 JP MORGAN EXCH TRAD NOTE	P	2010-09-28	2012-06-18
50 ANNALY CAPITAL MGMT REIT	P	2010-09-29	2012-09-17
200 VERIFONE HOLDINGS INC	P	2012-01-09	2012-03-05
600 DUKE ENERGY CORP NEW	P	2008-05-06	2012-03-07
126 JP MORGAN EXCH TRAD NOTE	P	2010-09-28	2012-06-18
100 ANNALY CAPITAL MGMT REIT	P	2010-09-29	2012-09-17
704 KINDER MORGAN INC 17WARRANTS	P	2012-05-31	2012-07-20
300 INTL BUSINESS MACHINES	P	2010-06-22	2012-03-12
200 JP MORGAN EXCH TRAD NOTE	P	2010-09-29	2012-06-18
50 ANNALY CAPITAL MGMT REIT	P	2010-09-29	2012-09-17
300 MERCADOLIBRE INC	P	2012-04-24	2012-08-15
300 DEVON ENERGY CP NEW	P	2008-07-24	2012-03-13
200 F E I COMPANY	P	2011-03-16	2012-06-18
300 ANNALY CAPITAL MGMT REIT	P	2010-11-30	2012-09-17
366 ANNALY CAPITAL MGMT REIT	P	2011-09-28	2012-09-17
5000 NANOLOGIX INC	P	2011-02-22	2012-03-22
100 F E I COMPANY	P	2011-03-28	2012-06-18
500 ANNALY CAPITAL MGMT REIT	P	2011-02-17	2012-09-17
634 ANNALY CAPITAL MGMT REIT	P	2011-09-28	2012-09-17



Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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 )
5000 NANOLOGIX INC	P	2011-02-23	2012-03-22
100 F E I COMPANY	P	2011-03-28	2012-06-18
549 85 LAUDUS INT'L MARKETMASTERS FD	P	2008-03-26	2012-12-10
28 35 LAUDUS INT'L MARKETMASTERS FD	P	2011-12-15	2012-12-10
500 EL PASO CORPORATION	P	2008-03-28	2012-05-17
100 F E I COMPANY	P	2011-04-06	2012-06-18
1597 44 LAUDUS INT'L MARKETMASTERS F	P	2008-07-18	2012-12-10

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - 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)
7,411		6,967	444
1,195		1,195	
5,869		4,281	1,588
5,096		3,372	1,724
5,637		3,212	2,425
4,123		4,288	-165
13		13	
5,869		2,037	3,832
3,401		3,475	-74
1,526		1,242	284
4,123		4,129	-6
810		771	39
5,869		2,787	3,082
3,401		3,545	-144
635		623	12
4,123		4,067	56
14,879		14,165	714
24,274		16,979	7,295
3,401		3,588	-187
5,045		5,236	-191
4,123		4,067	56
7,411		6,498	913
14,564		10,099	4,465
5,022		5,381	-359
5,045		5,286	-241
8,247		8,197	50
10,871		9,575	1,296
3,613		3,289	324
8,369		9,154	-785
5,045		5,481	-436

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - 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)
2,844		2,781	63
14,966		13,765	1,201
7,225		6,669	556
34,993		16,464	18,529
5,045		5,598	-553
12,123		11,858	265
7,483		7,010	473
1,806		1,669	137
17,497		12,110	5,387
5,420		5,089	331
2,710		2,119	591
867		801	66
859		921	-62
9,297		7,329	1,968
12,579		11,211	1,368
4,552		4,205	347
1,718		1,842	-124
1,878		1,345	533
60,275		39,338	20,937
7,225		6,729	496
859		921	-62
25,583		26,712	-1,129
21,375		27,247	-5,872
10,193		6,597	3,596
5,153		5,463	-310
6,286		6,174	112
2,520		2,459	61
5,096		3,323	1,773
8,588		8,778	-190
10,889		10,695	194

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - 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)
2,520		2,609	-89
5,096		3,323	1,773
10,585		10,788	-203
545		450	95
14,673		8,269	6,404
5,096		3,372	1,724
30,751		30,000	751

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			444
			1,588
			1,724
			2,425
			-165
			3,832
			-74
			284
			-6
			39
			3,082
			-144
			12
			56
			714
			7,295
			-187
			-191
			56
			913
			4,465
			-359
			-241
			50
			1,296
			324
			-785
			-436

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			63
			1,201
			556
			18,529
			-553
			265
			473
			137
			5,387
			331
			591
			66
			-62
			1,968
			1,368
			347
			-124
			533
			20,937
			496
			-62
			-1,129
			-5,872
			3,596
			-310
			112
			61
			1,773
			-190
			194

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l


Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			-89
			1,773
			-203
			95
			6,404
			1,724
			751

Form 990PF Part XV Line 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)				
<b>a</b> <i>Paid during the year</i>				
ANNUNCIATION MATERNITY HOME ANNUNCIATON MATERNITY HOME 3610 SHELL RD 3610 SHELL RD GEORGETOWN,TX 78628	NONE	501(C)(3)	GENERAL OPERATING EXPENSE	25,000
KEEP TEMPLE BEAUTIFUL KEEP TEMPLE BEAUTIFUL 100 W ADAMS STE 302 100 WADAMS STE 302 TEMPLE,TX 76501	NONE	501(C)(3)	GENERAL OPERATING EXPENSE	15,000
CAPITAL INVESTING IN DEVELOPMENT CAPITAL INVESTING IN DEVELOPMENT PO BOX 1784 PO BOX 1784 AUSTIN,TX 787671784	NONE	501(C)(3)	GEORGETOWN PROGRAM EXPENSE	25,000
GRACE BIBLE CHURCH GRACE BIBLE CHURCH 302 SERENADA DR 302 SERENADA DR GEORGETOWN,TX 78628	NONE	501(C)(3)	GENERAL OPERATING EXPENSE	8,500
COMMUNITY MOTESSORI SCHOOL COMMUNITY MOTESSORI SCHOOL 500 PLEASANT VALLEY DR 500 PLEASANST VALLEY DR GEORGETOWN,TX 78626	NONE	501(C)(3)	GENERAL OPERATING EXPENSE	19,500
FAITH IN ACTION CAREGIVERS FAITH IN ACTION CAREFIVERS PO BOX 743 PO BOX 743 GEORGETOWN,TX 78627	NONE	501(C)(3)	GENERAL OPERATING EXPENSE	500
LUTHERAN SOCIAL SERVICES OF SOUTH LUTHERAN SOCIAL SERVICES OF SOUTH PO BOX 140767 PO BOX 140767 AUSTIN,TX 787140767	NONE	501(C)(3)	GENERAL OPERATING EXPENSE	1,000
ORENDA EDUCATION ORENDA EDUCATION 2951 WILLIAMS DR 2951 WILLIAMS DR GEORGETOWN,TX 78628	NONE	501(C)(3)	GENERAL OPERATING EXPENSE	4,500
PEACE LUTHERAN CHURCH PEACE LUTHERAN CHURCH 9850 IMMOKALEE RD 9850 IMMOKALEE RD NAPLES,FL 34110	NONE	501(C)(3)	GENERAL OPERATING EXPENSE	5,000
THE CARING PLACE THE CARING PLACE PO BOX 1215 PO BOX 1215 GEORGETOWN,TX 786271215	NONE	501(C)(3)	CAPITAL EXPENSE	4,500
WC4C WC4C 805 W UNIVERSITY STE 102 805 W UNIVERSITY STE 102 GEORGETOWN,TX 78626	NONE	501(C)(3)	GENERAL OPERATING EXPENSE	15,000
GEORGETOWN ISD GEORGETOWN ISD 603 LAKEWAY DR 603 LAKEWAY DR GEORGETOWN,TX 78628	NONE	501(C)(3)	PROMOTE EXCEPTIONAL LEADERSHIP	45,000
BROOKWOOD COMMUNITY BROOKWOOD COMMUNITY 1752 FM 1489 1752 FM 1489 BROOKSHIRE,TX 77423	NONE	501(C)(3)	GENERAL OPERATING EXPENSE	5,000
MERIDIAN SCHOOL MERIDIAN SCHOOL 2555 N IH 35 2555 N IH 35 ROUND TOCK,TX 78664	NONE	501(C)(3)	GENERAL OPERATING EXPENSE	50,000
LORD OF THE ST EPISCOPAL CHURCH LORD OF THE ST EPISCOPAL CHURCH 3401 FANNIN 3401 FANNIN HOUSTON,TX 77004	NONE	501(C)(3)	GENERAL OPERATING EXPENSE	1,000



Form 990PF Part XV Line 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)				
<b>a</b> <i>Paid during the year</i>				
FAITH LUTHERNAN CHURCH FAITH LUTHERAN CHURCH 4010 WILLIAMS DR 4010 WILLIAMS DR GEORGETOWN,TX 78628	NONE	501(C)(3)	GENERAL OPERATING EXPENSE	17,400
BOY SCOUT TROUP 405 BOY SCOUT TROUP 405 501 CR 166 501 CR 166 GEORGETOWN,TX 78626	NONE	501(C)(3)	PHILMONT EXPEDITION	1,500
PEACE LUTHERAN CHURCH PEACE LUTHERAN CHURCH 5659 STRAND ST 5659 STRAND ST NAPLES,FL 34110	NONE	501(C)(3)	GENERAL OPERATING EXPENSE	1,200
SOUTHWESTERN UNIVERSITY SOUTHWESTERN UNIVERISITY PO BOX 770 PO BOX 770 GEORGETOWN,TX 78627	NONE	501(C)(3)	SMART MENTOR PROGRAM	30,000
AUSTIN COLLEGE AUSTIN COLLEGE 900 NORTH GRAND AVE 900 NORTH GRAND AVE SHERMAN,TX 75090	NONE	501(C)(3)	SCHOLARSHIPS	12,000
WESLEYAN HOMES WESLEYAN HOMES PO BOX 486 PO BOX 486 GEORGETOWN,TX 78627	NONE	501(C)(3)	REVOVATION PROJECT	25,000
<b>Total . . . . .</b>  <b>3a</b>				311,600

Form **4562**

Department of the Treasury  
Internal Revenue Service (99)

Depreciation and Amortization  
(Including Information on Listed Property)

▶ See separate instructions.    ▶ Attach to your tax return.

OMB No 1545-0172

**2012**

Attachment  
Sequence No **179**

Name(s) shown on return  
W D KELLEY FOUNDATION

Business or activity to which this form relates  
INDIRECT DEPRECIATION

**Identifying number**  
  
74-3007226

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4	Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost	
6				
7	Listed property Enter the amount from line 29	7		
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8		
9	Tentative deduction Enter the smaller of line 5 or line 8	9		
10	Carryover of disallowed deduction from line 13 of your 2011 Form 4562	10		
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11		
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12		
13	Carryover of disallowed deduction to 2013 Add lines 9 and 10, less line 12	13		

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property ) (See instructions )

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2012	17	927
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B—Assets Placed in Service During 2012 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property		918	5 0	MQ	200 DB	46
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2012 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (see instructions)

21	Listed property Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations—see instructions	22	973
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V

Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)  
**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? <input type="checkbox"/> Yes <input type="checkbox"/> No						24b If "Yes," is the evidence written? <input type="checkbox"/> Yes <input type="checkbox"/> No		
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation/ deduction	(i) Elected section 179 cost
25Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)							25	
26 Property used more than 50% in a qualified business use								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1						28		
29 Add amounts in column (i), line 26 Enter here and on line 7, page 1							29	

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person  
If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

30 Total business/investment miles driven during the year (do not include commuting miles)	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
31 Total commuting miles driven during the year												
32 Total other personal(noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions)

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions )		
<b>Note:</b> If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles		

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2012 tax year (see instructions)					
43 Amortization of costs that began before your 2012 tax year				43	
44 Total. Add amounts in column (f) See the instructions for where to report				44	

## TY 2012 Accounting Fees Schedule

**Name:** W D KELLEY FOUNDATION

**EIN:** 74-3007226

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ANNUAL ACCOUNTING	5,650	1,695		3,955

**TY 2012 Compensation Explanation****Name:** W D KELLEY FOUNDATION**EIN:** 74-3007226

Person Name	Explanation
THOMAS BAIRD	
HERBERT NELSON	
SANDRA ILLIG	
DALE ILLIG	

**Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.**

**TY 2012 Depreciation Schedule**

**Name:** W D KELLEY FOUNDATION

**EIN:** 74-3007226

Description of Property	Date Acquired	Cost or Other Basis	Prior Years' Depreciation	Computation Method	Rate / Life (# of years)	Current Year's Depreciation Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included
GRANT SOFTWARE	1999-10-01	5,750	5,750		3 0000				
STORAGE CONTAINER	2002-11-07	2,309	2,277	S/L	7 0000				
FILM & AUDIO EQUIPMENT	2004-06-14	822	822	200DB	7 0000				
SCANNER	2004-06-14	401	401	200DB	5 0000				
MINI DVD	2004-11-18	104	104	200DB	7 0000				
1/2 OFFICE EQUIPMENT	2006-09-27	1,453	1,453	200DB	5 0000				
1/2 VIDEO EQUIPMENT	2006-10-25	166	144	200DB	7 0000	15			
1/2 PRINTER	2006-11-29	296	296	200DB	5 0000				
DELL COMPUTER	2007-05-24	594	560	200DB	5 0000	34			
OFFICE EQUIPMENT	2007-12-27	165	156	200DB	5 0000	9			
FILING CABINETS	2008-02-25	470	323	200DB	7 0000	42			
CAMERA	2008-05-27	173	119	200DB	7 0000	16			
JCC MONITOR	2008-07-24	173	143	200DB	5 0000	20			
COPIER	2010-01-28	1,624	1,234	200DB	5 0000	156			
COMPUTER	2010-07-29	1,471	1,118	200DB	5 0000	141			
COMPUTER	2011-01-26	1,545	309	200DB	5 0000	494			
SERVER	2012-10-22	918		200DB	5 0000	46			

# **TY 2012 Investments Corporate Bonds Schedule**

**Name:** W D KELLEY FOUNDATION

**EIN:** 74-3007226

Name of Bond	End of Year Book Value	End of Year Fair Market Value
CORP BONDS HELD @ CHARLES SCHWAB	44,653	

**TY 2012 Investments Corporate  
Stock Schedule****Name:** W D KELLEY FOUNDATION**EIN:** 74-3007226

<b>Name of Stock</b>	<b>End of Year Book Value</b>	<b>End of Year Fair Market Value</b>
CORPORATE STOCK HELD @ CHARLES SCHWA	1,641,009	1,568,420
MUTUAL FUNDS HELD @ CHARLES SCHWAB	2,632	2,596
DIVIDENDS RECEIVABLE	595	595



**TY 2012 Investments - Land Schedule****Name:** W D KELLEY FOUNDATION**EIN:** 74-3007226

<b>Category/ Item</b>	<b>Cost/Other Basis</b>	<b>Accumulated Depreciation</b>	<b>Book Value</b>	<b>End of Year Fair Market Value</b>
IH 35 COMMERCIAL REAL ESTATE	990,408		990,408	1,500,547
IH 35 COMMERCIAL REAL ESTATE	1,228,311		1,228,311	3,827,629
4 A SCYPINSKI COMMERCIAL REAL EST	665,690		665,690	609,840
70% INTEREST 8.46 A NW BLVD	266,666		266,666	386,944
CAPITAL CITY .5 A	40,125		40,125	37,288
WAHL 6.01 A IH 35	279,773		279,773	182,946

## TY 2012 Investments - Other Schedule

**Name:** W D KELLEY FOUNDATION

**EIN:** 74-3007226

Category / Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
OIL & GAS ROYALTY INTEREST	AT COST	3,842	3,842
MENDOZA LOAN	AT COST	5,158	5,158

# TY 2012 Land, Etc. Schedule

**Name:** W D KELLEY FOUNDATION

**EIN:** 74-3007226

Category / Item	Cost / Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
GRANT SOFTWARE	5,750	5,750		
OFFICE EQUIPMENT	10,375	8,155	2,220	2,252
STORAGE CONTAINER	2,309	2,277	32	

# TY 2012 Other Assets Schedule

**Name:** W D KELLEY FOUNDATION

**EIN:** 74-3007226

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
ORGANIZATION COSTS	2,337	2,337	
LESS ACCUMULATED AMORTIZATION	-2,337	-2,337	

**TY 2012 Other Expenses Schedule****Name:** W D KELLEY FOUNDATION**EIN:** 74-3007226

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXPENSES				
MAINTENANCE	4,994	4,994		
BUSINESS MEALS	603	301		
INVESTMENT ADMIN EXPENSE	60	60		
OFFICE SUPPLIES & EXP	7,032	2,110		4,922
NON DEDUCTIBLE EXPENSE	1			
PROFESIONAL DUES	1,394			1,394

**TY 2012 Other Income Schedule****Name:** W D KELLEY FOUNDATION**EIN:** 74-3007226

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
HUGOTON TOYALTY TRUST	640	640	
ENERGY PRO INC	2,865	2,865	
SAN JUAN ROYALTY TRUST	212	212	
LESS LEASE OPERATING EXPENSE	-1,356	-1,356	

# TY 2012 Other Professional Fees Schedule

**Name:** W D KELLEY FOUNDATION

**EIN:** 74-3007226

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
BOARD MINUTES	750	225		525

**TY 2012 Taxes Schedule****Name:** W D KELLEY FOUNDATION**EIN:** 74-3007226

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
PROPERTY TAX	19,404	19,404		
FOREIGN TAX WITHHELD	2,702	2,702		



**W. D. KELLEY FOUNDATION  
GRANT REQUEST APPLICATION**

*Please follow this outline when submitting your request.*

**Background information:**

Name of Organization

Address

Type of Organization:      Public Foundation ☐Private Foundation ☐

Requester's Name and Title

Telephone Number of Requester (home and office)

Fax Number

Date

Amount Requested

Proposed Payment Schedule

**I. PROJECT INFORMATION**

- A. Define the problem:
  - 1. What is the problem or issue?
  - 2. How prevalent and/or severe is it?
- B. Describe the proposal:
  - 1. What is the project?
  - 2. Describe what actions are to be taken.
  - 3. What are the changes and expected outcomes?
  - 4. What impact does it have on youth and families in Georgetown?
- C. Define the outcome assessment process:
  - 1. What outcomes can be measured?
  - 2. How and when will the assessment be made?

**II. FINANCIAL INFORMATION**

- A. Submit the project's income and expense budget.
- B. Submit copy of your IRS Tax-Exempt Verification Letter.
- C. Submit a copy of the last certified audit, or last year's financial statement, plus the last IRS Form 990 filed.

**III. MANAGEMENT**

- A. List of names and pertinent experience of key staff to be involved with the proposed project.
- B. List of additional positions, if any, necessary to fulfill the efforts covered by this project.
- C. State how the efforts of the project will be continued after this grant is fulfilled.
- D. State any other comments that will best present the project.

**W. D. KELLEY FOUNDATION  
GRANT APPLICATION GUIDELINES**

**Areas of Funding Interest**

The Foundation's principal areas of funding interest are projects directed at youth and family in Williamson County, Texas

Grants are considered in the areas of:

Human services  
Health  
Education

as they relate to our mission statement (see attached)

Grants are not made for endowments. Capital grants are discouraged.

Exceptions to these areas of interest are at the sole discretion of the W. D. Kelley Foundation

**Organizations Eligible for Grants**

Grants will be made to organizations that are a public entity or have an IRS 501(c)(3) classification under Section 509(a) of the Internal Revenue Code.

**Grant Application Process**

Grant application forms should be submitted to:

W. D. Kelley Foundation  
ATTN: GRANTS COMMITTEE  
707 ROCK STREET  
GEORGETOWN, TX 78626

The Grants Committee meets periodically to review and evaluate grant requests received. You will be contacted if additional information or clarification is required. Grant decision awards are usually made in July and December. Funding schedules will vary by project.

Brevity and clarity in presentation are important in the grant review process. Applications should include:

1. A brief statement describing the issue addressed by the project.
2. A description of the project.
3. The problem/situation to be affected; its impact on youth and family; its prevalence and severity.
4. The expected outcomes and how they will be measured.
5. A project budget with both income and expenses.
6. Names and pertinent experience of staff involved with the proposed project.
7. A copy of the organization's latest tax-exempt form from the Internal Revenue Service under Section 170 of the IRS Code.
8. A copy of the last certified audit, or the last fiscal year's financial statement, and the last IRS Form 990 filed.

We regret that any materials submitted with the proposal cannot be returned.

707 Rock Street, Georgetown, Texas 78626

512/863-2575

FAX: 512/863-2576