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Form 990  Department of the Treasury Internal Revenue Service	Return of Organization Exempt From Income Tax Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)	OMB No 1545-0047 2012 Open to Public Inspection
	The organization may have to use a copy of this return to satisfy state reporting requirements	

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

B Check if applicable ☐ Address change ☐ Name change ☐ Initial return ☐ Terminated ☐ Amended return ☐ Application pending	C Name of organization PERMIAN BASIN AREA FOUNDATION		D Employer identification number 75-2295008
	Doing Business As		
	Number and street (or P O box if mail is not delivered to street address) 200 N Lorraine St Ste 500	Room/suite	E Telephone number (432) 617-3213
	City or town, state or country, and ZIP + 4 Midland, TX 79701		G Gross receipts \$ 44,730,844
	F Name and address of principal officer Guy McCrary 200 N Lorraine Ste 500 Midland, TX 79701		H(a) Is this a group return for affiliates? ☐ Yes ☒ No H(b) Are all affiliates included? ☐ Yes ☐ No If "No," attach a list (see instructions) H(c) Group exemption number ▶
I Tax-exempt status ☒ 501(c)(3) ☐ 501(c) () ◀ (insert no) ☐ 4947(a)(1) or ☐ 527			
J Website: ▶ www.pbaf.org			

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities Permian Basin Area Foundation facilitates the creation of permanent charitable funds in partnership with many donors, and provides grants to address changing community needs and enrich the quality of life in the Permian Basin		
	2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	12
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	12
	5 Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	11
	6 Total number of volunteers (estimate if necessary)	6	179
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
7b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 15,055,509	Current Year 13,460,945
	9 Program service revenue (Part VIII, line 2g)	110,140	107,143
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	3,460,022	2,938,990
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,172,569	2,144,843
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	19,798,240	18,651,921
	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	4,287,527	7,371,170
Expenses	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	691,684	767,068
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	16b Total fundraising expenses (Part IX, column (D), line 25) ☐ 117,251		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	774,244	868,408
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	5,753,455	9,006,646
	19 Revenue less expenses Subtract line 18 from line 12	14,044,785	9,645,275
	Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year 77,011,156
21 Total liabilities (Part X, line 26)		15,500	60,750
22 Net assets or fund balances Subtract line 21 from line 20		76,995,656	91,846,423

Part II Signature Block

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 officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer				2013-05-08	
	Date					
Paid Preparer Use Only	Guy McCrary President and CEO					
	Type or print name and title					
	Print/Type preparer's name		Preparer's signature		Date	Check ☐ if self-employed
	Firm's name		Firm's EIN		PTIN	
	Firm's address		Phone no			

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

Part III

Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1

Briefly describe the organization’s mission

Permian Basin Area Foundation facilitates the creation of permanent charitable funds in partnership with many donors, and provides grants to address changing community needs and enrich the quality of life in the Permian Basin

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes

No

If “Yes,” describe these new services on Schedule O

3

Did the organization cease conducting, or make significant changes in how it conducts, any program services?

Yes

No

If “Yes,” describe these changes on Schedule O

4

Describe the organization’s program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a

(Code) (Expenses \$ 7,512,075 including grants of \$ 7,371,170) (Revenue \$ 0)

Community capacity building programs 595 grants and scholarships to various organizations and individuals, based on approved grant and scholarship applications

4b

(Code) (Expenses \$ 341,332 including grants of \$ 0) (Revenue \$ 107,143)

Nonprofit Management Center programs Provided 20 training sessions to 603 attendees Provided 623 hours of consultation to more than 30 nonprofit organizations Responded to over 560 requests for general information and assistance Provided a series of 8 training sessions held over a 4 month period on board governance, graduated 31 participants and coordinated placements on nonprofit boards Provided a Nonprofit Executive Leadership Certification program, consisting of 9 trainings over an 8 month period intended to address the shortage of trained and qualified nonprofit leaders, with 27 individuals participating

4c

(Code) (Expenses \$ including grants of \$) (Revenue \$)

4d

Other program services (Describe in Schedule O)

(Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)

4e

Total program service expenses ▶

7,853,407

Form 990 (2012)

Part IV

Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? 	Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		No
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III		No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 	Yes	
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V 	Yes	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI. 	Yes	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII		No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII		No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX 	Yes	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X		No
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X		No
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII		No
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional 	Yes	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		No
14a Did the organization maintain an office, employees, or agents outside of the United States?		No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV		No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV		No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV		No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)		No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II 	Yes	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H		No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		No
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b		
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	12	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a	11
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b	Yes
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	No
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	3b	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	No
b	If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	Yes
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	Yes
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	No
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	No
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?	9a	No
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	No
10	Section 501(c)(7) organizations. Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b	
11	Section 501(c)(12) organizations. Enter		
a	Gross income from members or shareholders.	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13b	
c	Enter the amount of reserves on hand.	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	No
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	14b	

Part VI

Governance, Management, and Disclosure

For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	12	
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
1b	Enter the number of voting members included in line 1a, above, who are independent	12	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	No
6	Did the organization have members or stockholders?	6	No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	No
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	The governing body?	8a	Yes
8b	Each committee with authority to act on behalf of the governing body?	8b	Yes
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a	No
10b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes
11b	Describe in Schedule O the process, if any, used by the organization to review this Form 990		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes
12b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
12c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes
13	Did the organization have a written whistleblower policy?	13	Yes
14	Did the organization have a written document retention and destruction policy?	14	Yes
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
15a	The organization's CEO, Executive Director, or top management official	15a	Yes
15b	Other officers or key employees of the organization	15b	No
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	No
16b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed	NM
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. ☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)	
19	Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year	
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization	
Cyndi Vara 200 N Loraine Ste 500 Midland, TX (432) 617-3213		

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

- 1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year
- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid

List all of the organization's **current** key employees, if any See instructions for definition of "key employee "

List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations

List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations

List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Larry Edgerton	2	X		X				0	0	0
Chair	0									
(2) Steve Barron	1	X						0	0	0
Past Chair	0									
(3) Mike Canon	1	X		X				0	0	0
Vice-Chair	0									
(4) Mark Nicholas	1	X		X				0	0	0
Treasurer	0									
(5) Cathy Eastham	1	X		X				0	0	0
Secretary	0									
(6) Jack Harper	1	X						0	0	0
Director	0									
(7) Trey Grafa	1	X						0	0	0
Director	0									
(8) Patty Herd	1	X						0	0	0
Director	0									
(9) Scott Kidwell	1	X						0	0	0
Director	0									
(10) Don Wood	1	X						0	0	0
Director	0									
(11) Carolyn Stone	1	X						0	0	0
Secretary	0									
(12) Stacey Gerig	1	X						0	0	0
Director	0									
(13) Guy McCrary	45			X				131,518	0	35,038
President and CEO	2									

Part VII

1b	Sub-Total	▼			
c	Total from continuation sheets to Part VII, Section A	▼			
d	Total (add lines 1b and 1c)	▼	131,518	0	35,038

2 Total number of individuals (including but not limited to those listed in Item 1) who received more than \$100,000 of reportable compensation from the organization. 1

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	Yes
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
RBC Wealth Management 550 W Texas Ste 120 Midland TX 79701	Investment Consultant and Management Services	384,041

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ►1

Part VIII

Statement of Revenue

Check if Schedule O contains a response to any question in this Part VIII

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514		
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . . .	1a	0				
	b	Membership dues	1b	0				
	c	Fundraising events	1c	59,878				
	d	Related organizations	1d	0				
	e	Government grants (contributions)	1e	0				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	13,401,067				
	g	Noncash contributions included in lines 1a-1f \$		5,050,738				
	h	Total. Add lines 1a-1f		13,460,945				
Program Service Revenue	2a	Nonprofit Management Center	Business Code	541610	107,143	107,143	0	0
	b							
	c							
	d							
	e							
	f	All other program service revenue			0	0	0	0
	g	Total. Add lines 2a-2f		107,143				
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		1,583,818	0	0	1,583,818
4		Income from investment of tax-exempt bond proceeds . .		0	0	0	0	
5		Royalties		2,142,705	0	0	2,142,705	
6a		Gross rents	(i) Real	(ii) Personal				
		b	Less rental expenses					
		c	Rental income or (loss)	0	0			
		d	Net rental income or (loss)					
7a		Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		b	Less cost or other basis and sales expenses	27,410,592	0			
		c	Gain or (loss)	26,055,420	0			
		d	Net gain or (loss)	1,355,172	0			
8a		Gross income from fundraising events (not including \$ 59,878 of contributions reported on line 1c) See Part IV, line 18						
		a	23,503					
		b	Less direct expenses	b	23,503			
c		Net income or (loss) from fundraising events . .		0		0	0	
9a		Gross income from gaming activities See Part IV, line 19						
		a						
		b	Less direct expenses	b				
c		Net income or (loss) from gaming activities . .						
10a		Gross sales of inventory, less returns and allowances						
	a							
	b	Less cost of goods sold	b					
c	Net income or (loss) from sales of inventory . .							
Miscellaneous Revenue		Business Code						
11a	Other Income	900099	2,138	0	0	2,138		
b								
c								
d	All other revenue		0	0	0	0		
e	Total. Add lines 11a-11d		2,138					
12	Total revenue. See Instructions		18,651,921	107,143	0	5,083,833		

Part IX

Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response to any question in this Part IX

☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States. See Part IV, line 21.	7,093,640	7,093,640		
2	Grants and other assistance to individuals in the United States. See Part IV, line 22.	277,530	277,530		
3	Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.	0	0		
4	Benefits paid to or for members.	0	0		
5	Compensation of current officers, directors, trustees, and key employees.	166,556	21,684	108,384	36,488
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	0	0	0	0
7	Other salaries and wages.	475,004	252,082	199,630	23,292
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	39,583	20,242	17,015	2,326
9	Other employee benefits.	42,081	23,140	16,405	2,536
10	Payroll taxes.	43,844	19,905	20,408	3,531
11	Fees for services (non-employees):				
a	Management.	0	0	0	0
b	Legal.	0	0	0	0
c	Accounting.	42,571	0	42,571	0
d	Lobbying.	0			0
e	Professional fundraising services. See Part IV, line 17.	0			0
f	Investment management fees.	481,326	0	481,326	0
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	22,964	5,988	16,778	198
12	Advertising and promotion.	5,051	818	0	4,233
13	Office expenses.	20,823	11,142	7,657	2,024
14	Information technology.	23,439	6,036	14,996	2,407
15	Royalties.	0	0	0	0
16	Occupancy.	55,671	27,713	23,471	4,487
17	Travel.	4,453	2,070	562	1,821
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.	0	0	0	0
19	Conferences, conventions, and meetings.	14,891	9,906	4,185	800
20	Interest.	0	0	0	0
21	Payments to affiliates.	0	0	0	0
22	Depreciation, depletion, and amortization.	8,187	3,104	4,267	816
23	Insurance.	7,439	3,175	3,399	865
24	Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O):				
a	Ad valorem taxes.	51,331	0	51,331	0
b	Training programs.	48,898	48,898	0	0
c	Special program events.	29,136	13,949	0	15,187
d	Annual report and newsletter expenses.	18,749	4,114	9,285	5,350
e	All other expenses.	33,479	8,271	14,318	10,890
25	Total functional expenses. Add lines 1 through 24e.	9,006,646	7,853,407	1,035,988	117,251
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ☐ if following SOP 98-2 (ASC 958-720).				

Part X

Balance Sheet

Check if Schedule O contains a response to any question in this Part X

☒

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			0	1	186,366
	2	Savings and temporary cash investments			1,905,411	2	3,170,257
	3	Pledges and grants receivable, net			0	3	1,158,714
	4	Accounts receivable, net			0	4	0
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			0	5	0
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			0	6	0
	7	Notes and loans receivable, net			2,889	7	5,192
	8	Inventories for sale or use				8	0
	9	Prepaid expenses and deferred charges			22,206	9	23,384
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	127,671	26,248	10c	19,061
	b	Less accumulated depreciation	10b	108,610			
	11	Investments—publicly traded securities			68,301,359	11	79,948,788
	12	Investments—other securities See Part IV, line 11				12	0
	13	Investments—program-related See Part IV, line 11				13	0
	14	Intangible assets				14	0
	15	Other assets See Part IV, line 11			6,753,043	15	7,395,411
16	Total assets. Add lines 1 through 15 (must equal line 34)			77,011,156	16	91,907,173	
Liabilities	17	Accounts payable and accrued expenses			0	17	0
	18	Grants payable			15,500	18	60,750
	19	Deferred revenue			0	19	0
	20	Tax-exempt bond liabilities			0	20	0
	21	Escrow or custodial account liability Complete Part IV of Schedule D			0	21	0
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			0	22	0
	23	Secured mortgages and notes payable to unrelated third parties			0	23	0
	24	Unsecured notes and loans payable to unrelated third parties			0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D				25	
	26	Total liabilities. Add lines 17 through 25			15,500	26	60,750
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here ☒ and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets			67,169,773	27	82,406,910
	28	Temporarily restricted net assets			7,784,376	28	7,396,656
	29	Permanently restricted net assets			2,041,507	29	2,042,857
	Organizations that do not follow SFAS 117 (ASC 958), check here ☐ and complete lines 30 through 34.						
	30	Capital stock or trust principal, or current funds				30	
	31	Paid-in or capital surplus, or land, building or equipment fund				31	
	32	Retained earnings, endowment, accumulated income, or other funds				32	
	33	Total net assets or fund balances			76,995,656	33	91,846,423
	34	Total liabilities and net assets/fund balances			77,011,156	34	91,907,173

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	18,651,921
2	Total expenses (must equal Part IX, column (A), line 25)	2	9,006,646
3	Revenue less expenses Subtract line 2 from line 1	3	9,645,275
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	76,995,656
5	Net unrealized gains (losses) on investments	5	4,807,208
6	Donated services and use of facilities	6	0
7	Investment expenses	7	0
8	Prior period adjustments	8	0
9	Other changes in net assets or fund balances (explain in Schedule O)	9	398,284
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	91,846,423

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII ☐

		Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	2a	No
2b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both ☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis	2b	Yes
2c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	Yes
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	No
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b	

SCHEDULE A
(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization PERMIAN BASIN AREA FOUNDATION	Employer identification number 75-2295008
---	--

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

- 1

☐

A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2

☐

A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)
- 3

☐

A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4

☐

A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state _____
- 5

☐

An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)
- 6

☐

A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7

☐

An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II)
- 8

☒

A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 9

☐

An organization that normally receives (1) more than 33¹/₃% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33¹/₃% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)
- 10

☐

An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**
- 11

☐

An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Non-functionally integrated
- e

☐

By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
- f

☐

If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g

☐

Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i)

A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

(ii)

A family member of a person described in (i) above?

(iii)

A 35% controlled entity of a person described in (i) or (ii) above?

h

☐

Provide the following information about the supported organization(s)
- | | Yes | No |
|----------|-----|----|
| 11g(i) | | |
| 11g(ii) | | |
| 11g(iii) | | |
- | (i) Name of supported organization | (ii) EIN | (iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions)) | (iv) Is the organization in col (i) listed in your governing document? | | (v) Did you notify the organization in col (i) of your support? | | (vi) Is the organization in col (i) organized in the U S ? | | (vii) Amount of monetary support |
|------------------------------------|----------|--|--|----|---|----|--|----|----------------------------------|
| | | | Yes | No | Yes | No | Yes | No | |
| | | | | | | | | | |
| | | | | | | | | | |
| Total | | | | | | | | | |
- For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990EZ.

Cat No 11285F

Schedule A (Form 990 or 990-EZ) 2012

Part II

Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	5,062,291	3,470,782	5,048,581	9,176,040	9,854,535	32,612,229
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf	0	0	0	0	0	0
3 The value of services or facilities furnished by a governmental unit to the organization without charge	0	0	0	0	0	0
4 Total. Add lines 1 through 3	5,062,291	3,470,782	5,048,581	9,176,040	9,854,535	32,612,229
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						16,763,724
6 Public support. Subtract line 5 from line 4						15,848,505

Section B. Total Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4	5,062,291	3,470,782	5,048,581	9,176,040	9,854,535	32,612,229
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	1,562,199	1,091,719	1,419,682	2,633,513	3,726,523	10,433,636
9 Net income from unrelated business activities, whether or not the business is regularly carried on	0	0	0	0	0	0
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	12,877	18,817	5,852	2,617	2,138	42,301
11 Total support (Add lines 7 through 10)						43,088,166
12 Gross receipts from related activities, etc. (see instructions)					12	0
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here					☐	

Section C. Computation of Public Support Percentage				
14	Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f))	<table><tr><td>14</td><td>36 782 %</td></tr></table>	14	36 782 %
14	36 782 %			
15	Public support percentage for 2011 Schedule A, Part II, line 14	<table><tr><td>15</td><td>43 079 %</td></tr></table>	15	43 079 %
15	43 079 %			
16a	33 1/3% support test—2012. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	☒		
b	33 1/3% support test—2011. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	☐		
17a	10%-facts-and-circumstances test—2012. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization	☐		
b	10%-facts-and-circumstances test—2011. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization	☐		
18	Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions	☐		

Part IIISupport Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6)						

Section B. Total Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here ▶						

Section C. Computation of Public Support Percentage		
15 Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2011 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage		
17 Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from 2011 Schedule A, Part III, line 17	18	
19a 33 1/3% support tests—2012. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ▶		
b 33 1/3% support tests—2011. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ▶		
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶		

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation
Line 10 - miscellaneous income

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
PERMIAN BASIN AREA FOUNDATION

Employer identification number
75-2295008

Part I

Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year	55	38
2 Aggregate contributions to (during year)	8,632,247	370,760
3 Aggregate grants from (during year)	5,377,250	329,134
4 Aggregate value at end of year	37,946,761	8,392,778
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	☒ Yes ☐ No	
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?	☒ Yes ☐ No	

Part II

Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or education) ☐ Preservation of an historically important land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

a Total number of conservation easements

b Total acreage restricted by conservation easements

c Number of conservation easements on a certified historic structure included in (a)

d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register

	Held at the End of the Year
2a	
2b	
2c	
2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

(ii) Assets included in Form 990, Part X ▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

b Assets included in Form 990, Part X ▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3

Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIII and complete the following table

	Amount
1c	
1d	
1e	
1f	

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII

☐

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a)Current year	(b)Prior year	b (c)Two years back	(d)Three years back	(e)Four years back	
1a	Beginning of year balance	63,978,502	51,663,027	42,304,560	36,091,765	41,750,602
b	Contributions	11,942,029	15,150,315	6,774,520	2,453,916	8,397,058
c	Net investment earnings, gains, and losses	7,386,722	1,522,671	4,986,983	6,223,901	-11,546,152
d	Grants or scholarships	6,840,319	3,824,339	1,979,933	2,109,103	2,141,336
e	Other expenditures for facilities and programs	0	0	0	0	0
f	Administrative expenses	620,979	533,172	423,103	355,919	368,407
g	End of year balance	75,845,955	63,978,502	51,663,027	42,304,560	36,091,765

2

Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a

Board designated or quasi-endowment

88 %

b

Permanent endowment

3 %

c

Temporarily restricted endowment

9 %

The percentages in lines 2a, 2b, and 2c should equal 100%

3a

Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i)

unrelated organizations

	Yes	No
3a(i)		No

(ii)

related organizations

	Yes	No
3a(ii)		No

b

If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

	Yes	No
3b		

4

Describe in Part XIII the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

	Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a	Land	0	0		0
b	Buildings	0	0	0	0
c	Leasehold improvements	0	0	0	0
d	Equipment	0	127,671	108,610	19,061
e	Other	0	0	0	0
Total.	Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				19,061

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements		1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12			
a	Net unrealized gains on investments	2a		
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII)	2d		
e	Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII)	4b		
c	Add lines 4a and 4b		4c	
5	Total revenue Add lines 3 and 4c . (This must equal Form 990, Part I, line 12)		5	

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements		1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII)	2d		
e	Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1 :			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII)	4b		
c	Add lines 4a and 4b		4c	
5	Total expenses Add lines 3 and 4c . (This must equal Form 990, Part I, line 18)		5	

Part XIII Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Identifier	Return Reference	Explanation
SchD_P05_S00_L04	Schedule D, Part V, Line 4	The organization's endowment funds are used to provide grants and scholarships to address changing community needs and enrich the quality of life in the Permian Basin

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		Golf Tournament (event type)	Beacon Awards Luncheon (event type)	0 (total number)	(add col (a) through col (c))
Revenue	1	Gross receipts	33,595	49,786	83,381
	2	Less Contributions . . .	21,569	38,309	59,878
	3	Gross income (line 1 minus line 2)	12,026	11,477	23,503
Direct Expenses	4	Cash prizes	0	0	0
	5	Noncash prizes	0	0	0
	6	Rent/facility costs . . .	0	0	0
	7	Food and beverages . .	0	11,477	11,477
	8	Entertainment	0	0	0
	9	Other direct expenses .	12,026	0	12,026
	10	Direct expense summary Add lines 4 through 9 in column (d) ▶			
	11	Net income summary Combine line 3, column (d), and line 10 ▶			

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
Revenue	1	Gross revenue			
Direct Expenses	2	Cash prizes			
	3	Non-cash prizes			
	4	Rent/facility costs			
	5	Other direct expenses . . .			
	6	Volunteer labor	Yes No	Yes No	
	7	Direct expense summary Add lines 2 through 5 in column (d) ▶			
	8	Net gaming income summary Combine lines 1 and 7 in column (d) ▶			

9 Enter the state(s) in which the organization operates gaming activities _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain _____

Does the organization operate gaming activities with nonmembers? ☐ Yes ☐ No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? ☐ Yes ☐ No

13 Indicate the percentage of gaming activity operated in

a The organization's facility	13a	
b An outside facility	13b	

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records

Name 

Address 

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? ☐ Yes ☐ No

b If "Yes," enter the amount of gaming revenue received by the organization  \$ _____ and the amount of gaming revenue retained by the third party  \$ _____

c If "Yes," enter name and address of the third party

Name 

Address 

16 Gaming manager information

Name 

Gaming manager compensation  \$

Description of services provided 

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No

b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year  \$ _____

Part IV Supplemental Information. Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

Identifier	Return Reference	Explanation
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Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
PERMIAN BASIN AREA FOUNDATION

Grants and Other Assistance to Organizations,
Governments and Individuals in the United States

Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990

OMB No 1545-0047

2012

Open to Public
Inspection

Employer identification number
75-2295008

Part I

General Information on Grants and Assistance

- 1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No
- 2

Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
See Additional Data Table							

2

Enter total number of section 501(c)(3) and government organizations listed in the line 1 table

1

3

Enter total number of other organizations listed in the line 1 table

0

Part III

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance
(1) Educational	266	277,530	0		

Part IV

Supplemental Information.

Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information

Identifier	Return Reference	Explanation
SchI_P01_S00_L02	Schedule I, Part I, Line 2	Organizations receiving grants from Permian Basin Area Foundation are required to report on the status of their grants within two years of the grant award. A standard form is required from all organizations. Students receiving scholarships from Permian Basin Area Foundation sign a contract agreeing to submit grade reports following every semester in which they receive an award from the Foundation.

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Alzheimers Association STAR Chapter400 N Big Spring Street Ste C32 Midland, TX 79705	13-3039601	501c3	15,000				Health Services
Amercan Wind Power Center 1701 Canyon Lake Drive Lubbock, TX 79403	75-2509769	501c3	10,000				Educational
Area Missions Outreach ServicesPO Box 762 Midland, TX 797020762	75-2220887	501c3	20,000				Health and Human Services
Arts Council of MidlandPO Box 3494 Midland, TX 79702	75-1894442	501c3	10,249				2012 Distributable Income and Arts and Culture
Baptist Memorials Ministries PO Box 5661 San Angelo, TX 76902	75-0983837	501c3	83,746				2012 Distributable Income
Be The Change Permian BasinPO Box 52643 Midland, TX 79710	75-2697538	501c3	25,000				Youth Services
BEE WorldAttn Finance Department 18940 Base Camp Road Monument, CO 80132	74-2752161	501c3	40,000				Religious Services
Big Brothers Big Sisters of Midland1007 West Texas Avenue Midland, TX 79701	75-1791035	501c3	30,000				Youth Services
Boys and Girls Club of MidlandPO Box 284 Midland, TX 79702	75-1214505	501c3	25,000				Youth Services
Boys and Girls Club Of Odessa800 East 13th Street Odessa, TX 79761	75-0990952	501c3	25,000				Youth Services
Buckner Children and Family Services600 North Pearl Street Ste 2000 Dallas, TX 752012812	75-2571395	501c3	33,536				2012 Distributable Income and Fall 2012 Grant and Youth Services
Buffalo Trail Council BSA 1101 West Texas Avenue Midland, TX 79701	75-0800616	501c3	46,500				2012 Distributable Income and Youth Development
Bynum SchoolPO Box 80175 Midland, TX 79708	75-1932925	501c3	61,399				2012 Distributable Income
COM Aquatics3003 North A Street Midland, TX 79705	75-1254435	501c3	53,144				2012 Distributable Income and Human Services General
Casa de Amigos1101 East Garden Lane Midland, TX 79701	75-1240087	501c3	41,973				2012 Distributable Income and Arts and Housing and Shelter
Cassatt in the BasinPO Box 1842 Odessa, TX 79763	75-2720103	501c3	7,000				Arts and Culture
Center for Big Bend Studies PO Box C72 Alpine, TX 79832	75-3138505	501c3	10,000				Arts and Culture
Centers for Children and Families1004 North Big Spring Ste 325 Midland, TX 79701	75-1005357	501c3	37,777				2012 Distributable Income and Health and Human Services
Chinati FoundationPO Box 1135 Marfa, TX 79843	74-2340423	501c3	10,000				Youth Services
Christmas in Action of MidlandPO Box 3744 Midland, TX 79702	75-1731319	501c3	40,000				2012 Distributable Income and Housing and Shelter
Church on WheelsPO Box 9402 Midland, TX 79708	75-2758174	501c3	35,000				Health and Human Services
City of Andrews111 Logsdon Andrews, TX 797146589	75-0857123	501c6	10,000				Community Development
City of MidlandPO Box 1152 Midland, TX 79702	75-6000608	501c3	43,362				2012 Distributable Income and Community Development
Community and Senior Services3301 Sinclair Ave Midland, TX 79707	75-1899190	501c3	10,500				Senior Services
Community Childrens Clinic PO Box 3328 Midland, TX 79702	75-1875246	501c3	22,199				2012 Distributable Income and Youth Services
District 6 4HPO Box 1298 Fort Stockton, TX 797351298	52-1057382	501c3	7,500				Youth Services
Education Foundation of OdessaPO Box 951 Odessa, TX 79760	75-2862209	501c3	70,448				2012 Distributable Income
Feed the ChildrenPO Box 36 Oklahoma City, OK 731010036	73-6108657	501c3	5,500				Youth Services
Fellowship of Christian Athletes International15943 Fox Marsh Drive Moseley, VA 23120	44-0610626	501c3	9,000				Religious Services
Fellowship of Christian Athletes of TexasPO Box 132589 Spring, TX 77393	44-0610626	501c3	7,500				Religious Services
First Presbyterian Church 800 West Texas Midland, TX 79701	75-0959993	501c3	543,476				Religious Services
Fort Davis Higher Education FoundationPO Box 335 Fort Davis, TX 79734	06-1653768	501c3	25,000				Educational
George W Bush Childhood HomePO Box 8586 Midland, TX 79708	75-2925197	501c3	10,000				Educational
George W Bush Foundation PO Box 600610 Dallas, TX 75360	20-4119317	501c3	60,000				Community Development
Good News MinistresPO Box 3315 Midland, TX 79702	75-2629527	501c3	10,000				Religious Services
Grace School of TheologyPO Box 7477 The Woodlands, TX 773877477	76-0690847	501c3	500,000				Educational
Grand Companions Humane SocietyPO Box 1156 Fort Davis, TX 79734	85-0586174	501c3	17,500				Animal Services
High Sky Childrens Ranch 8701 W County Rd 60 Midland, TX 79707	75-1155049	501c3	16,300				Youth Services
Hillander School1600 West Wadley Midland, TX 79705	75-1096475	501c3	25,000				Educational
Hillcrest School3510 North A Street Bldg C Midland, TX 79705	75-2468032	501c3	21,770				Educational
Hospice of Midland911 West Texas Avenue Midland, TX 79701	75-1736007	501c3	36,607				2012 Distributable Income and Health Services
Howard CollegeStudent Financial Aid 1001 Birdwell Lane Big Spring, TX 79720	75-1732455	501c3	5,305				Educational
I20 Wildlife Preserve and Jenna Welch Nature Study CenterPO Box 2906 Midland, TX 79702	26-1270576	501c3	25,000				Educational
Jackson Center for EvangelismPO Box 99 Brownwood, TX 76804	86-0663455	501c3	20,000				Religious Services
Junior League of Midland902 West Dengar Midland, TX 79705	75-1005294	501c3	20,000				Community Development
Manor Park2208 N Loop 250 West Midland, TX 79707	75-1227882	501c3	25,000				Senior Services
MARC2701 North A Street Midland, TX 79705	75-1038411	501c3	38,250				Health Services
Marfa MontessonPO Box 546 Marfa, TX 79843	27-2538693	501c3	9,000				Educational
Marthas Vineyard Community HospitalPO Box 1477 Oak Bluff, MA 02557	04-2104691	501c3	10,000				Health Services
Martin County ConventPO Box 1435 Stanton, TX 79782	75-2284618	501c3	8,284				Educational
Meals on Wheels of Odessa PO Box 15 Odessa, TX 79760	75-1553306	501c3	11,000				Senior Services
Midland Bible Church5900 Whitman Midland, TX 79705	75-1448418	501c3	1,580,000				Religious Services
Midland Childrens Rehabilitation Center802 Ventura Avenue Midland, TX 79705	75-0912521	501c3	68,000				Youth Services
Midland Classical Academy 5711 Whtman Drive Midland, TX 79705	75-2760945	501c3	10,000				Educational
Midland College Foundation 3600 North Garfield Midland, TX 79705	23-7315067	509a1	44,000				Educational and Youth Services
Midland Community Development Corp208 South Marenfeld Midland, TX 79701	75-2280264	501c3	26,000				Housing
Midland Fair Havens2400 Whitmire Boulevard Suite 100 Midland, TX 79705	75-2627746	501c3	50,000				Human Services and Housing
Midland Habitat for Humanity PO Box 2555 Midland, TX 79702	75-2381356	501c3	160,000				Housing
Midland Memorial Foundation 2200 West Illinois Midland, TX 79701	75-0827455	501c3	6,975				2012 Distributable Income and one Health Services
Midland Rape Crisis Center PO Box 10081 Midland, TX 79702	75-1673093	501c3	11,581				2012 Distributable Income and Human Services
Midland Tennis CenterPO Box 4914 Midland, TX 79704	26-1105431	501c3	18,409				Youth Services
Midland Odessa Symphony and ChoralePO Box 60658 Midland, TX 79711	75-1301544	501c3	70,602				2012 Distributable Income and Arts and Culture
Mission Health Care4500 West Illinois Suite 112 Midland, TX 79703	75-2459123	501c3	10,000				Heath Services
Odessa Christian School 2000 Doran Street Odessa, TX 79761	75-1231036	501c3	15,321				2012 Distributable Income
Odessa College Foundation 201 West University Odessa, TX 79764	75-2655037	501c3	1,065,000				Educational
Odessa Family YMCA3001 East University Blvd Odessa, TX 79762	75-1187026	501c3	105,000				Family and Youth Services
Odessa LINKS119 West 4th Street Suite 201 Odessa, TX 79761	75-2943130	501c3	20,000				Human Services
Palmer Drug Abuse Program 1208 West Wall Street Midland, TX 79701	75-1847433	501c3	8,282				2012 Distributable Income and Human Services
Parker House Ranching Museum1118 Maple Odessa, TX 79761	75-2628310	501c3	6,000				2012 Distributable Income
Partners Relief and DevelopmentPO Box 2066 Redlands, CA 92373	22-3786806	501c3	25,000				Philanthropy
Permian Basin Regional Council on Alcohol and Drug Abuse120 East 2nd Street Odessa, TX 79761	75-2300815	501c3	12,500				Health Services
Polo on the PrairiePO Box 4470 Houston, TX 772104470	74-6000203	501c3	10,000				Health Services
Recording Library of West Texas2012 West Cuthbert Midland, TX 79701	23-7075064	501c3	16,158				2012 Distributable Income and Human Services
Safe Place of the Permian BasinPO Box 11331 Midland, TX 79702	75-1657264	501c3	29,400				Human Services
Samantant Counseling Center PO Box 60312 Midland, TX 79711	75-1437991	501c3	25,130				Health Services
Sears Methodist Foundation One Village Drive Suite 400 Abilene, TX 79606	75-2692545	501c3	50,000				Health and Human Services General
Sibley Nature Center1307 East Wadley Midland, TX 79705	20-1991058	501c3	17,500				Educational
Saint Andrews Presbyterian Mission1708 North Fort Worth Street Midland, TX 79701	75-1468417	501c3	20,000				Religious Services
Saint Johns Episcopal Church PO Box 3346 Odessa, TX 797603346	75-6004798	501c3	16,988				Religious Services
Saint Johns Episcopal School PO Box 3046 Odessa, TX 79760	75-2015719	501c3	22,910				Educational
Saint Paul Lutheran Church - Minnesota303 North Cass Avenue Springfield, MN 56087	41-0705873	501c3	25,000				Religious Services
Teen ChallengePO Box 251 Midland, TX 79702	75-1757538	501c3	35,826				2012 Distributable Income and Youth Services
Teen FLOWPO Box 733 Midland, TX 79702	75-2899609	501c3	79,679				Youth Services
Texas A and M Foundation 401 George Bush Drive College Station, TX 77840	74-2245072	501c3	340,000				Educational
Texas A and M University 12th Man FoundationPO Box 2800 College Station, TX 778412800	74-1185725	501c3	220,000				Educational
Texas Arms of LovePO Box 5137 Midland, TX 79704	75-2167389	501c3	100,000				Educational
Texas Tech FoundationPO Box 41081 Lubbock, TX 794091081	75-6043842	501c3	28,500				Educational
The Life Center2101 West Wall Midland, TX 79701	75-1663590	501c3	13,945				2012 Distributable Income
Trinity Christian School Foundation7008 Salem Avenue Lubbock, TX 79424	26-2981264	501c3	6,911				Educational
Trinity School of Midland 3500 West Wadley Midland, TX 79707	75-0995808	501c3	28,910				Educational
United Way of Midland1209 West Wall Midland, TX 79701	75-0945926	501c3	94,700				Educational
University of Texas Cockrell School of EngineeringThe University of Texas at Austin University Station C2104 Austin, TX 787120287	47-6000203	501c3	25,000				Educational
University of Texas of the Permian Basin4901 E University Odessa, TX 79762	75-1393493	501c3	6,200				Educational
Ward County Greater Works PO Box 706 Monahans, TX 79756	43-2025340	501c3	31,445				Human Services
Ward County Youth Activity CenterPO Box 706 Monahans, TX 79756	43-2025340	501c3	30,000				Youth Services
West Texas Food BankPO Box 4242 Odessa, TX 79760	75-2057692	501c3	21,000				Human Services
West Texas Public Radio 2000 East 42nd Street Stue C193 Odessa, TX 79762	56-2497864	501c3	25,500				Arts and Culture
Youth Conference Ministries PO Box 4328 Chattanooga, TN 37405	71-0941809	501c3	25,000				Youth Services

Schedule J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
PERMIAN BASIN AREA FOUNDATION

Employer identification number
75-2295008

Part I

Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items		
	☐ First-class or charter travel ☐ Travel for companions ☐ Tax idemnification and gross-up payments ☐ Discretionary spending account ☐ Housing allowance or residence for personal use ☐ Payments for business use of personal residence ☐ Health or social club dues or initiation fees ☐ Personal services (e g , maid, chauffeur, chef)		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III		
	☐ Compensation committee ☐ Independent compensation consultant ☒ Form 990 of other organizations ☐ Written employment contract ☒ Compensation survey or study ☒ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization		
a	Receive a severance payment or change-of-control payment?	4a	No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c	No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
a	The organization?	5a	No
b	Any related organization?	5b	No
	If "Yes," to line 5a or 5b, describe in Part III		
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of		
a	The organization?	6a	No
b	Any related organization?	6b	No
	If "Yes," to line 6a or 6b, describe in Part III		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	No
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III	8	No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	9	

Part II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) Guy McCrary President and CEO	(i)	131,518	0	0	0	35,038	166,556	0
	(ii)	0	0	0	0	0	0	0

Part III **Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
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SCHEDULE M
(Form 990)

Noncash Contributions

OMB No 1545-0047

2012

Open to Public Inspection

►Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
► Attach to Form 990.

Name of the organization
PERMIAN BASIN AREA FOUNDATION

Employer identification number
75-2295008

Part I

Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded	X	6	5,050,738	FMV
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► (_____)				
26 Other ► (_____)				
27 Other ► (_____)				
28 Other ► (_____)				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement

29

0

	Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?		No
b If "Yes," describe the arrangement in Part II		
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	Yes	
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?		No
b If "Yes," describe in Part II		
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II		

Part II

Supplemental Information. Complete this part to provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
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SCHEDULE O

(Form 990 or 990-EZ)

Department of the Treasury

Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
PERMIAN BASIN AREA FOUNDATION

Employer identification number
75-2295008

Identifier	Return Reference	Explanation
F990_P06_S0B_L11b	Form 990, Part VI, Section B, Line 11b	The Controller prepares the Form 990 The independent accounting firm and CEO review the Form 990, then the Form 990 is reviewed by the Audit Committee of the Board The Audit Committee recommends approval of the Form 990 by the full Board of Governors The full Board of Governors is provided a copy of the Form 990 prior to filing with the IRS
F990_P06_S0B_L12c	Form 990, Part VI, Section B, Line 12c	Annually, each board member receives a copy of the Foundation's Conflict of Interest Policy Each board member must also sign an acknowledgement certifying their awareness and understanding of the Conflict of Interest Policy Also, annually each board member is asked to disclose all of their community and business affiliations to help Foundation staff identify potential conflicts of interest
F990_P06_S0B_L15	Form 990, Part VI, Section B, Line 15	The Foundation has adopted the following policy regarding compensation of the Chief Executive Officer Executive compensation is approved in advance by the Board of Governors (the Board) No member of the Board participating in the compensation decision shall have a conflict of interest with respect to the compensation transaction being reviewed The Board will obtain and rely upon appropriate data as to comparability, prior to making its compensation determination In general, the Board will have obtained appropriate data as to comparability if, given the knowledge and expertise of its members, it has information sufficient to determine whether the compensation arrangement is reasonable The Board will adequately document the basis for its determination concurrently with making that decision The documentation will include 1) the terms of the approved transaction and the date on which the transaction was approved, 2) the members of the Board who were present during determination regarding the approved transaction and the members who voted on the matter under consideration, 3) the comparability data obtained and relied upon by the Board and how that data was obtained, 4) the basis for its determination if the Board determines that a specific compensation arrangement is higher or lower than the range of comparability data obtained, and 5) any actions taken with respect to consideration of the transaction by anyone who is otherwise a member of the Board but who had a conflict of interest with respect to the transaction The documentation for the decision will be prepared before the latter of the next meeting of the Board or 60 days after the final action is taken
F990_P06_S0C_L19	Form 990, Part VI, Section C, Line 19	The Foundation makes its governing documents and conflict of interest policy available to the public upon request The Foundation provides its audited financial statements available to the public on request The Foundation also includes in its annual report to donors, grantees, vendors, and other interested persons select data from its audited financial statements
F990_P11_S00_L09	Form 990, Part XI, Line 9	Change in value of oil and gas royalties \$1,373,472, change in value of split interest agreement (\$976,538), change in value of perpetual trust \$1,350

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
PERMIAN BASIN AREA FOUNDATION

Employer identification number
75-2295008

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) West Texas Heritage Holdings Inc c/o Guy McCrary 200 N Loraine Ste 500 Midland, TX 79701 27-1928634	supporting organization	TX	501(c)(3)	Public Chanty	N/A		No

Part III

Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end- of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No

Part V

Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35b, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity

b Gift, grant, or capital contribution to related organization(s)

c Gift, grant, or capital contribution from related organization(s)

d Loans or loan guarantees to or for related organization(s)

e Loans or loan guarantees by related organization(s)

f Dividends from related organization(s)

g Sale of assets to related organization(s)

h Purchase of assets from related organization(s)

i Exchange of assets with related organization(s)

j Lease of facilities, equipment, or other assets to related organization(s)

k Lease of facilities, equipment, or other assets from related organization(s)

l Performance of services or membership or fundraising solicitations for related organization(s)

m Performance of services or membership or fundraising solicitations by related organization(s)

n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

o Sharing of paid employees with related organization(s)

p Reimbursement paid to related organization(s) for expenses

q Reimbursement paid by related organization(s) for expenses

r Other transfer of cash or property to related organization(s)

s Other transfer of cash or property from related organization(s)

Yes

No

1a

No

1b

No

1c

No

1d

No

1e

No

1f

No

1g

No

1h

No

1i

No

1j

No

1k

No

1l

No

1m

No

1n

No

1o

No

1p

No

1q

No

1r

No

1s

No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved

Schedule R (Form 990) 2012

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Part VII **Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Identifier	Return Reference	Explanation
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Additional Data

[Return to Form](#)

Software ID: 12000197
Software Version: v1.00
EIN: 75-2295008
Name: PERMIAN BASIN AREA FOUNDATION

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