



See a Social Security Number? Say Something!  
Report Privacy Problems to <https://public.resource.org/privacy>  
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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

2012

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

For calendar year 2012, or tax year beginning **, 2012, and ending , 20**

Name of foundation

**THE CHARLES C MATTHEWS FOUNDATION**

Number and street (or P.O. box number if mail is not delivered to street address)

**P O BOX 427**

Room/suite

**A Employer identification number****75-2741045****B Telephone number (see instructions)****(903) 693-7837****C If exempt application is pending, check here ►****D 1. Foreign organizations, check here ►****2. Foreign organizations meeting the 85% test, check here and attach computation ►****E If private foundation status was terminated under section 507(b)(1)(A), check here . . . . . ►****F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here . . . . . ►****G Check all that apply:**

Initial return	Initial return of a former public charity
Final return	Amended return
Address change	Name change

**H Check type of organization:**  **Section 501(c)(3) exempt private foundation** **Section 4947(a)(1) nonexempt charitable trust**  **Other taxable private foundation****I Fair market value of all assets at end of year (from Part II, col. (c), line 16)****► \$ 13,856,825** (Part I, column (d) must be on cash basis.)**J Accounting method:**  **Cash**  **Accrual** **Other (specify) \_\_\_\_\_****Part I Analysis of Revenue and Expenses**  
(The total of amounts in columns (b), (c), & (d) may not necessarily equal the amounts in column (a) (see instructions).)

	<b>(a) Revenue and expenses per books</b>	<b>(b) Net investment income</b>	<b>(c) Adjusted net income</b>	<b>(d) Disbursements for charitable purposes (cash basis only)</b>
--	---	----------------------------------	--------------------------------	--

<b>R E V E N U E</b>  <b>O P E R A T I N G &amp; A D M I N E X P E N S E S</br></b>	1 Contributions, gifts, grants, etc., received (attach schedule) . . . . .	259,637		
	2 Check ► <input type="checkbox"/> if the foundation is <b>not</b> required to attach Sch. B			
	3 Interest on savings and temp. cash investments	3,978	3,978	
	4 Dividends and interest from securities	372,262	188,828	
	5 a Gross rents . . . . .	4,500	4,500	
	b Net rental income or (loss) _____			
	6 a Net gain/(loss) from sale of assets not on line 10 b Gross sales price for all assets on line 6a	352,186		
	7 Capital gain net income (from Part IV, line 2)		0	
	8 Net short-term capital gain . . . . .			14,294
	9 Income modifications . . . . .			0
	10 a Gross sales less rtrns & allowances	0		
	b Less Cost of goods sold . . . . .			
	c Gross profit or (loss) (attach schedule)			
	11 Other income (attach schedule) . #1	810,112	799,595	
	12 <b>Total</b> Add lines 1 through 11 . . . . .	1,434,418	996,901	14,294
	13 Compensation of officers, directors, trustees, etc.	195,000	78,000	
	14 Other employee salaries and wages	6,300		
	15 Pension plans, employee benefits			
	16 a Legal fees (attach schedule) . #20 b Accounting fees (attach schedule) . #12 c Other professional fees (attach schedule)	18,750 5,050 5,050		
	17 Interest . . . . .			
	18 Taxes (attach schedule) (see instructions) #4	21,185	-964	
	19 Depreciation (attach sch.) and depletion #5	7,451		
	20 Occupancy . . . . .	1,582	633	
	21 Travel, conferences, and meetings . . . . .	1,453		
	22 Printing and publications . . . . .			
	23 Other expenses (attach schedule) . #6	97,927	90,471	
	24 <b>Total operating and administrative expenses.</b> Add lines 13 through 23	354,698	173,190	0
	25 Contributions, gifts, grants paid . . . . .	356,545		356,545
	26 <b>Total exp. &amp; disbursements.</b> Add lines 24 and 25	711,243	173,190	0
	27 Subtract line 26 from line 12. a <b>Excess of revenue over expenses and disbursements . . . . .</b>	723,175		
	b <b>Net investment income (if neg., enter -0-)</b>		823,711	
	c <b>Adjusted net income (if neg., enter -0-)</b>			14,294

For Paperwork Reduction Act Notice, see instructions.

Form 990-PF (2012)

**RECEIVED**  
**AT**  
**ING**  
**OS**  
**JUN 24 2013**  
**CODEN, UT**

8

	Attached schedules and amounts in the description column should be for end-of-year amounts only (See inst.)	Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
ASSETS	1 Cash -- non-interest-bearing . . . . .			
	2 Savings and temporary cash investments . . . . .	2,988,047	2,433,143	2,466,546
	3 Accounts receivable ►	80,000		
	Less allowance for doubtful accts ►			
	4 Pledges receivable ►			
	Less allowance for doubtful accts ►			
	5 Grants receivable . . . . .			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach schedule) ►			
	Less allowance for doubtful accounts ►			
	8 Inventories for sale or use . . . . .	6,100		
	9 Prepaid expenses and deferred charges . . . . .			
	10a Investments -- U S. and state govt obligations (attach schedule) #7	2,192,173	2,119,347	2,290,441
	b Investments -- corporate stock (attach schedule) #8	1,157,177	1,236,259	1,388,770
	c Investments -- corporate bonds (attach schedule) #9 . . . . .	441,928	450,675	446,848
	11 Investments -- land, buildings, and equipment basis . . . . .			
Less accumulated depreciation (attach schedule) ►				
12 Investments -- mortgage loans . . . . .				
13 Investments -- other (attach schedule) . . . . . #10	5,831,850	7,156,370	7,320,797	
14 Land, buildings, and equipment basis ► 678,583	8,695			
Less accumulated depreciation (attach schedule) . . . . .				
15 Other assets (describe ►) . . . . .				
16 Total assets (to be completed by all filers -- see the instructions Also, see page 1, item I) . . . . .	13,362,707	14,065,682	13,913,402	
LIABILITIES	17 Accounts payable and accrued expenses . . . . .			
	18 Grants payable . . . . .			
	19 Deferred revenue . . . . .			
	20 Loans from officers, directors, trustees, and other disqualified persons . . . . .			
	21 Mortgages and other notes payable (attach schedule) . . . . .			
	22 Other liabilities (describe ►) . . . . .			
	23 Total liabilities (add lines 17 through 22) . . . . .	0	0	
NET ASSETS	Foundations that follow SFAS 117, check here ► <input type="checkbox"/>			
	and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted . . . . .			
	25 Temporarily restricted . . . . .			
	26 Permanently restricted . . . . .			
	Foundations that do not follow SFAS 117, ck. here ► <input checked="" type="checkbox"/>			
	and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds . . . . .	13,362,707	14,065,682	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund . . . . .			
	29 Retained earnings, accumulated income, endowment, or other funds . . . . .			
	30 Total net assets or fund balances (see instructions) . . . . .	13,362,707	14,065,682	
	31 Total liabilities and net assets/fund balances (see instructions)	13,362,707	14,065,682	

## Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year -- Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return) . . . . .	1	13,362,707
2 Enter amount from Part I, line 27a . . . . .	2	723,175
3 Other increases not included in line 2 (itemize) ►	3	
4 Add lines 1, 2, and 3 . . . . .	4	14,085,882
5 Decreases not included in line 2 (itemize) ► SEE ATTACHMENT #12	5	20,200
6 Total net assets or fund balances at end of year (line 4 minus line 5) -- Part II, column (b), line 30 . . . . .	6	14,065,682

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P -- Purchase D -- Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE ATTACHMENT #13				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a				
b				
c				
d				
e				
2 Capital gain net income or (net capital loss) . . . . .	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7		2	-16,071
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8 . . . . .			3	14,294

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?  Yes  No  
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part

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

(a) Base period years Calendar year (or tax year beg. in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2011	335,000	11,165,408	0.030003
2010	390,004	5,484,857	0.071106
2009	1,014	20,303	0.049943
2008	963	19,303	0.049889
2007	887	17,782	0.049882

- 2 Total of line 1, column (d) . . . . . 2 0.250823
- 3 Average distribution ratio for the 5-year base period -- divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years . . . . . 3 0.050165
- 4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5 . . . . . 4 12,992,047
- 5 Multiply line 4 by line 3 . . . . . 5 651,746
- 6 Enter 1% of net investment income (1% of Part I, line 27b) . . . . . 6 8,237
- 7 Add lines 5 and 6 . . . . . 7 659,983
- 8 Enter qualifying distributions from Part XII, line 4 . . . . . 8 356,545

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter "N/A" on line 1.	
Date of ruling or determination letter: _____ (attach copy of letter if necessary -- see inst.)		1
1	16,474	
1b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b	2
2	0	
1c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b).	3
3	16,474	
4	0	
5	16,474	
6	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-.	
6a	6a	12,000
6b		
6c	6c	4,474
6d		
7	Total credits and payments. Add lines 6a through 6d	
7	16,474	
8	Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	
11	Enter the amount of line 10 to be Credited to 2013 estimated tax ► Refunded ► 11	

**Part VII-A Statements Regarding Activities**

1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	Yes	No
1b			
1c			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?		
4b	If "Yes," has it filed a tax return on Form 990-T for this year?		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: <ul style="list-style-type: none"> <li>● By language in the governing instrument, or</li> <li>● By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?</li> </ul>		
7	Did the foundation have at least \$5,000 in assets at any time during the yr? If "Yes," complete Part II, col (c), & Part XV		
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) <p>► TX</p>		
8b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation		
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? If "Yes," complete Part XIV		
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		

**Part VII-A Statements Regarding Activities (continued)**

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions) .....	11	X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions) .....	12	X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? .....	13	X
Website address ► <u>N/A</u>			
14	The books are in care of ► <u>SEE ATTACHMENT #14</u>	Telephone no. ►	
Located at ►		ZIP+4 ►	
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of <b>Form 1041</b> -- Check here .....	15	<input type="checkbox"/>
and enter the amount of tax-exempt interest received or accrued during the year .....			
16	At any time during calendar year 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? .....	16	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  See the instructions for exceptions and filing requirements for Form TD F 90-22 1. If "Yes," enter the name of the foreign country ►

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		
1a	During the year did the foundation (either directly or indirectly):	
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? .....		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? .....		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? .....		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? .....		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? .....		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) .....		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
1b	If any answer is "Yes" to 1a(1)–(6), did <b>any</b> of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? .....	<input type="checkbox"/>
Organizations relying on a current notice regarding disaster assistance check here .....		
1c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012? .....	<input type="checkbox"/>
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)).	
a	At the end of tax year 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? .....	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If "Yes," list the years ► 20 __, 20 __, 20 __, 20 __		
b	Are there any years listed in 2a for which the foundation is <b>not</b> applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement -- see instructions) .....	<input type="checkbox"/>
c	If the provisions of section 4942(a)(2) are being applied to <b>any</b> of the years listed in 2a, list the years here.	
► 20 __, 20 __, 20 __, 20 __		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? .....	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
b	If "Yes," did it have excess business holdings in 2012 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2012.) .....	<input type="checkbox"/>
3b	<input type="checkbox"/>	X
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? .....	<input type="checkbox"/>
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012? .....	<input type="checkbox"/>
4b	<input type="checkbox"/>	X

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

5a	During the year did the foundation pay or incur any amount to:				
(1)	Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
(2)	Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
(3)	Provide a grant to an individual for travel, study, or other similar purposes? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
(4)	Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
(5)	Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	N/A	5b
	Organizations relying on a current notice regarding disaster assistance check here . . . . .	<input type="checkbox"/>			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? . . . . .	<input type="checkbox"/> Yes	<input type="checkbox"/> No	N/A	
	If "Yes," attach the statement required by Regulations section 53.4945-5(d).				
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		6b
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
	If "Yes" to 6b, file Form 8870				
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	N/A	7b

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

(a) Name and address	(b) Title, and avg. hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred comp	(e) Expense account, other allowances
SEE ATTACHMENT #15				

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

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

Total number of other employees paid over \$50,000 . . . . . ► 0

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

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

**Total number of others receiving over \$50,000 for professional services . . . . . ►**
**Part IX-A Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.		Expenses
1		
2		
3		
4		

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2		Amount
1		
2		
All other program-related investments See instructions		
3		

**Total. Add lines 1 through 3 . . . . . ►**

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities .....	1a	10,596,720
b	Average of monthly cash balances .....	1b	2,593,175
c	Fair market value of all other assets (see instructions) .....	1c	
d	<b>Total</b> (add lines 1a, b, and c) .....	1d	13,189,895
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) .....	1e	
2	Acquisition indebtedness applicable to line 1 assets .....	2	
3	Subtract line 2 from line 1d .....	3	13,189,895
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions) .....	4	197,848
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4 .....	5	12,992,047
6	<b>Minimum investment return.</b> Enter 5% of line 5 .....	6	649,602

**Part XI** **Distributable Amount** (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ►  and do not complete this part.)

1	Minimum investment return from Part X, line 6 .....	1	649,602
2a	Tax on investment income for 2012 from Part VI, line 5 .....	2a	16,474
b	Income tax for 2012. (This does not include the tax from Part VI.) .....	2b	
c	Add lines 2a and 2b .....	2c	16,474
3	Distributable amount before adjustments. Subtract line 2c from line 1 .....	3	633,128
4	Recoveries of amounts treated as qualifying distributions .....	4	
5	Add lines 3 and 4 .....	5	633,128
6	Deduction from distributable amount (see instructions) .....	6	
7	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1 .....	7	633,128

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes.		
a	Expenses, contributions, gifts, etc. -- total from Part I, column (d), line 26 .....	1a	356,545
b	Program-related investments -- total from Part IX-B .....	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes .....	2	
3	Amounts set aside for specific charitable projects that satisfy the:	3a	
a	Suitability test (prior IRS approval required) .....	3b	
b	Cash distribution test (attach the required schedule) .....	4	356,545
4	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4 .....	5	0
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions) .....	6	356,545
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4 .....		

**Note.** The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

**Part XIII Undistributed Income (see instructions)**

	(a) Corpus	(b) Years prior to 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7.....				633,128
2 Undistributed income, if any, as of the end of 2012			85,014	
a Enter amount for 2011 only .....				
b Total for prior years 20_____, 20_____, 20_____				
3 Excess distributions carryover, if any, to 2012				
a From 2007 .....				
b From 2008 .....				
c From 2009 .....				
d From 2010 .....				
e From 2011 .....				
f Total of lines 3a through e .....	0			
4 Qualifying distributions for 2012 from Part XII, line 4 ► \$ 356,545			85,014	
a Applied to 2011, but not more than line 2a				
b Applied to undistributed income of prior years (Election required -- see instructions) .....				
c Treated as distributions out of corpus (Election required -- see instructions) .....				
d Applied to 2012 distributable amount .....				271,531
e Remaining amount distributed out of corpus .....				
5 Excess distributions carryover applied to 2012. (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b .....				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed .....				
d Subtract line 6c from line 6b. Taxable amount -- see instructions .....				
e Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount -- see instructions .....				
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013 .....				361,597
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions) .....				
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions) .....				
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a .....				
10 Analysis of line 9:				
a Excess from 2008 .....				
b Excess from 2009 .....				
c Excess from 2010 .....				
d Excess from 2011 .....				
e Excess from 2012 .....				

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

**1a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, enter the date of the ruling . . . . . ►

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

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

## 1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2) )

NONE

NONE

- List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

**2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

Check here ►  if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number or e-mail of the person to whom applications should be addressed:

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

**c Any submission deadlines**

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

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year SEE ATTACHMENT #16				
<b>Total</b>				► 3a 356,545
b Approved for future payment				
<b>Total</b>				► 3b

**Part XVI-A Analysis of Income-Producing Activities**

	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions )
	(a) Business code	(b) Amount	(c) Excl. code	(d) Amount	
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees & contracts from government agencies					
2 Membership dues and assessments ..					
3 Interest on savings and temporary cash investments ..			14	3,978	
4 Dividends and interest from securities .. . . .			14	372,262	
5 Net rental income or (loss) from real estate:					
a Debt-financed property. . . . .					
b Not debt-financed property. . . . .					
6 Net rental income or (loss) from personal property . . . . .					
7 Other investment income. . . . .					
8 Gain or (loss) from sales of assets other than inventory			18	-16,071	
9 Net income or (loss) from special events . . . . .					
10 Gross profit or (loss) from sales of inventory . . . . .					
11 Other revenue. a					
b SEE ATTACHMENT #17		918		809,194	
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e) . . . . .	918			1,169,363	0
13 Total. Add line 12, columns (b), (d), and (e) . . . . .				13	1,170,281

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

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See instructions )

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

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

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

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

b If "Yes," complete the following schedule

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

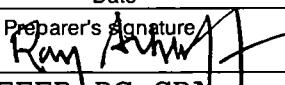
Sign Here

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

6-18-13

TRUSTEE

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

Paid Preparer Use Only	Print/Type preparer's name RAYMOND C. SCHIEFFER	Preparer's signature 	Date 06-09-2013	Check <input type="checkbox"/> if self-employed	PTIN P00300741
	Firm's name ► RAY C SCHIEFFER PC CPA			Firm's EIN ► 75-2542876	
	Firm's address ► 1146 W PANOLA			Phone no. (903) - 693-9191	

**Schedule B**  
(Form 990, 990-EZ,  
or 990-PF)Department of the Treasury  
Internal Revenue Service**Schedule of Contributors**

► Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No. 1545-0047

**2012**

Name of the organization

THE CHARLES C MATTHEWS FOUNDATION

Employer identification number

75-2741045

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

 501(c)( ) (enter number) organization 4947(a)(1) nonexempt charitable trust not treated as a private foundation 527 political organization

Form 990-PF

 501(c)(3) exempt private foundation 4947(a)(1) nonexempt charitable trust treated as a private foundation 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

**General Rule** For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II**Special Rules** For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II. For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III. For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year . . . . . ► \$ \_\_\_\_\_**Caution.** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ or on Part I, line 2, of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2012)

Name of organization THE CHARLES C MATTHEWS FOUNDATION	Employer identification number 75-2741045
---	--

**Part I** **Contributors** (see instructions) Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	CHARLES C MATTHEWS ESTATE PO BOX 427 CARTHAGE, TX 75633-	\$ 203,342	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	CHARLES MATTHEWS LTD PARTNERSHIP PO BOX 427 CARTHAGE, TX 75633-	\$ 56,305	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution )
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution )
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution )
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution )
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution )

# 990 SCHEDULE OF OTHER INCOME

ATTACHMENT 1: PAGE 1 - 990-PF PAGE 1, PART I, LINE 11

OPEN TO PUBLIC

INSPECTION

For calendar year 2012 or tax period beginning

, and ending

Name of Organization		Employer Identification Number		
THE CHARLES C MATTHEWS FOUNDATION		75-2741045		
Description of Other Income		Revenue and Expenses	Net Investment Income	Adjusted Net Income
INTEREST INCOME -- CODY BUSH		2,327	2,327	
INTEREST INCOME -- DAVID BUSH		920	920	
FARM INCOME -- CROP PROD INCENTIVE		918		
ROYALTY INCOME -- ANADARKO		40,466	40,466	
ROYALTY INCOME -- CHEVRON USA		721,429	721,429	
OTHER INCOME -- CHEVRON USA		244	244	
ROYALTY INCOME -- COMSTOCK		3,663	3,663	
ROYALTY INCOME -- EXXON MOBIL		991	991	
ROYALTY INCOME -- HARLETON OIL & GAS		45	45	
ROYALTY INCOME -- KABCO		1,740	1,740	
ROYALTY INCOME -- R LACY SVCS		28,297	28,297	
ROYALTY INCOME -- SILVER OAK OPR		3	3	
ROYALTY INCOME -- SAMSON LONESTAR		7,051	7,051	
ROYALTY INCOME -- XTO		1,294	1,294	
ROYALTY INCOME -- O'BRIEN RES		16	16	
OTHER INCOME		9,598		
KINDER MORGAN LP K-1 ORD LOSS		-1,506	-1,506	
MARKWEST LP K-1 ORD LOSS		-2,958	-2,958	
ENTERPRISE PP LP K-1 ORD LOSS		-2,724	-2,724	
ENERGY TRANSFER PTNR K-1 ORD LOSS		-1,242	-1,242	
BOARDWALK PIPELINE K-1 ORD LOSS		-461	-461	
CHARLES C MATTHEWS ESTATE		1		
<b>Totals:</b>		<b>810,112</b>	<b>799,595</b>	

## 990 SCHEDULE OF LEGAL FEES

ATTACHMENT 2: PAGE 1 - 990-PF PAGE 1, PART I, LINE 16A

OPEN TO PUBLIC

INSPECTION

For calendar year 2012, or tax period beginning

, and ending

Name of Organization

THE CHARLES C MATTHEWS FOUNDATION

Employer Identification Number

75-2741045

Legal Description	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charity
ATTORNEY FEES	18,750			
<b>Total:</b>	<b>18,750</b>			

## 990 SCHEDULE OF ACCOUNTING FEES

ATTACHMENT 3: PAGE 1 - 990-PF PAGE 1, PART I, LINE 16B

OPEN TO PUBLIC

INSPECTION For calendar year 2012, or tax period beginning

, and ending

Name of Organization	Employer Identification Number			
THE CHARLES C MATTHEWS FOUNDATION	75-2741045			
Accounting Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charity
ACCOUNTING FEES	5,050	5,050		
<b>Total:</b>	<b>5,050</b>	<b>5,050</b>		

## 990 SCHEDULE OF TAXES PAID

ATTACHMENT 4: PAGE 1 - 990- PF PAGE 1, PART I, LINE 18

OPEN TO PUBLIC

INSPECTION

For calendar year 2012, or tax period beginning

, and ending

Name of Organization

THE CHARLES C MATTHEWS FOUNDATION

Employer Identification Number

75-2741045

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charity
PROPERTY TAXES (RANCH)	2,082			
PROPERTY TAXES (ROYALTY)	20,067			
FOREIGN TAX	-964	-964		
<b>Total:</b>	<b>21,185</b>	<b>-964</b>		

## 990 SCHEDULE OF DEPRECIATION

ATTACHMENT 5: PAGE 1 - 990-PF PAGE 1, PART I, LINE 19

**OPEN TO PUBLIC  
INSPECTION**

For Calendar year 2012, or tax year period beginning

and ending

Name of Organization: THE CHARLES C. MATTHEWS FOUNDATION

## 990 OTHER EXPENSES SCHEDULE

ATTACHMENT 6: PAGE 1 990-PF PAGE 1, PART I, LINE 23

OPEN TO PUBLIC

INSPECTION

For calendar year 2012, or tax period beginning

, and ending

Name of Organization

THE CHARLES C MATTHEWS FOUNDATION

Employer Identification Number

75-2741045

Description of Activity	Revenue and Expenses	Net Investment Income	Adjusted Net Income	Disbursements for Charity
BANK CHARGES	80			
CONTINUING EDUCATION	1,000			
GULF SOUTH PIPELINE ROW EXP	20,600	20,600		
INVESTMENT FEES	169	169		
POST OFFICE BOX RENTAL	56			
SAFE DEPOSIT BOX RENTAL	80			
REPAIRS & MAINTENANCE -				
RANCH	364			
ROYALTY SEVERANCE TAX	40,789	40,789		
ROYALTY OTHER DEDUCTIONS	28,619	28,619		
SUPPLIES	5,876			
KINDER MORGAN LP K-1 NON DEDUCTIBLE EXP	1	1		
KINDER MORGAN LP K-1 SEC 1231 EXP	93	93		
KINDER MORGAN LP K-1 OTHER DEDUCTIONS	8	8		
KINDER MORGAN LP K-1 INTNG DRILLING COSTS	66	66		
MARKWEST LP K-1 NON DEDUCTIBLE EXP	4	4		
MARKWEST LP K-1 SEC 1231 EXP	1	1		
ENTERPRISE PP LP K-1 SEC 1231 G/L	61	61		
ENERGY TRANSFER PTNRS K-1 NON DEDUCTIBLE EXP	1	1		
ENERGY TRANSFER PTNRS K-1 SEC 1231 EXP	-2	-2		
ENERGY TRANSFER PTNRS K-1 OTHER DEDUCTIONS	59	59		
BOARDWALK K-1 NON DEDUCTIBLE EXP	1	1		
BOARDWALK K-1 OTHER DEDUCTIONS	1	1		
<b>Total:</b>	<b>97,927</b>	<b>90,471</b>		

## 990 SCHEDULE OF INVESTMENTS - GOVERNMENT OBLIGATIONS

ATTACHMENT 7: PAGE 1 - 990-PF PAGE 2, PART II, LINE 10A

OPEN TO PUBLIC

INSPECTION

For calendar year 2012, or tax period beginning

, and ending

Name of Organization				Employer Identification Number
THE CHARLES C MATTHEWS FOUNDATION				75-2741045
Description	Cost	FMV at End of Year	Book Value	Fair Market Value
U S. Government Obligations				
State and Municipal Government Obligations			2,119,347	2,290,441
Total U S and State Government Obligations . . . . .			2,119,347	2,290,441

CHARLES MATTHEWS FOUNDATION			
GOVT & CORPORATE BONDS			75-2741045
ATTACHMENT 7 SUPPORTING SCHEDULE			
2012			
INVESTMENT:		COST	FAIR MKT VALUE
U.S. & STATE GOVT OBLIGATIONS:	COUPON	BAL 12-31-12	BAL 12-31-12
ARLINGTON TX SPL TAX REVENUE	5.000%	50,139	55,524
AUSTIN, TX REV REF	4.250%	3,949	5,010
CANYON, TX REG WTR AUTH	5.125%	25,369	27,798
CINCO STHWEST TX MUNI UTIL DIST	5.000%	23,304	26,905
CLEAR CREEK TX ISD	5.000%	265,155	282,148
DFW TX INTL AIRPORT	5.000%	9,394	10,151
EAGLE MTN & SAGINAW TX ISD	5.000%	51,793	56,854
EAGLE PASS TX ISD	5.000%	232,558	283,145
GALVESTON CNTY-TX CRIMINAL JUST	5.000%	54,750	50,198
GUADALUPE BLANCO RIVER AUTH	5.000%	10,095	10,105
HARRIS CO TX HEALTH ETM FAC DEV	5.250%	10,063	10,041
HARRIS CO TX REFUND TOLL ROAD	5.000%	25,558	26,888
HARRIS CO TX SPORTS AUTHORITY	5.250%	9,052	10,024
INDIANA MUNICIPAL PWR AGENCY	5.000%	9,858	10,950
KATY TX ISD GO	4.500%	25,442	26,885
LCRA 5-15-2031	5.000%	20,125	20,263
LCRA 5-15-2031	5.000%	5,700	5,089
LCRA 1-01-2017	6.000%	5,906	5,846
MIAMI DADE CNTY AVIATION	5.000%	9,080	10,363
NACOGDOCHES TX ISD	4.300%	25,389	25,121
NORTH TX MUNI WTR DIST	5.000%	257,595	283,388
NORTH TX TOLLWAY AUTHORITY	5.750%	25,896	28,507
NORTHEAST TX ISD	5.000%	163,295	175,411.50
PEARLAND TX WTRWRKS	4.250%	44,571	46,187
PLUGERVILLE TX CTFS OBLIG	5.000%	82,407	82,212
SEMINOLE TX ISD	5.000%	265,155	284,135
SOCORRO TX ISD	5.000%	266,640	281,915
TRAVIS CNTY TX WTR	4.750%	48,938	55,931
UNITED ISD	5.125%	41,871	41,164
UNIVERSITY OF TX SYS PERM SCHOOL	4.500%	50,304	52,286
TOTAL US & STATE GOVT OBLIG		2,119,347	2,290,441
LINE 10A			

## 990 SCHEDULE OF INVESTMENTS - CORPORATE STOCKS

ATTACHMENT 8: PAGE 1 - 990-PF PAGE 2, PART II, LINE 10B

OPEN TO PUBLIC

INSPECTION

For calendar year 2012, or tax period beginning

, and ending

Name of Organization

THE CHARLES C MATTHEWS FOUNDATION

Employer Identification Number

75-2741045

Description of Property	Cost	FMV at Year End	Book Value	Fair Market Value
CORPORATE STOCKS -- SEE ATTACHED SCHEDULE	X		1,236,259	1,332,193
			Total: 1,236,259	1,332,193

CHARLES MATTHEWS FOUNDATION  
ATTACHMENT #8 SUPPORTING SCHEDULE  
CORPORATE STOCK

#75-2741045

FORM 990-PF	COST	FAIR MKT VALUE
NAME OF STOCK	BAL 12-31-12	BAL 12-31-12
MICROSOFT	14,317	13,114
ABBOTT LABS	25,636	32,759
ALTRIA GROUP	12,424	15,720
AMERICAN ELECTRIC POWER	21,283	26,489
ANADARKO PETROLEUM	25,106	27,866
APPLE INC	39,986	34,591
A T & T	13,516	16,879
BEAM INC	8,630	13,745
BERKSHIRE HATHAWAY	18,453	20,272
BRISTOL-MYERS	12,963	16,295
BOARDWALK PIPELINE PTR LP	14,108	13,197
DNP SELECT INCOME	18,457	18,946
CATERPILLAR	39,848	44,804
CHEVRON CORP	45,849	66,614
COCA COLA	34,052	36,250
CONOCOPHILLIPS	38,579	43,493
DOW CHEMICAL	17,151	16,184
CORNING INC.	10,493	6,310
FORTUNE BRANDS HOME & SEC INC	2,400	6,575
FRANKLIN BANK CORP	5	0
INTEL	22,436	20,636
FORD MOTOR CO	32,220	32,375
BOEING	34,960	37,701
EMC CORP	11,723	12,650
ENERGY TRANSFER PARTNERS	20,684	21,465
ENTERPRISE PROD PTRS LP	18,170	30,298
EOG RESOURCES	25,078	38,653
EXXON-MOBIL	63,897	66,153
GILEAD SCIENCES	19,773	36,725
HOME DEPOT	8,271	15,488
JP MORGAN CHASE	40,853	43,974
KRAFT FOODS GROUP	5,801	7,548
APPLIED MATERIALS	15,873	13,163
ACCUSPHERE INC	18	6
UNITEDHEATH GROUP	22,147	27,126
MARKWEST ENERGY PTRS	23,206	30,606
MEDTRONIC INC	9,999	9,023
GENERAL ELECTRIC	29,929	20,996
MONDELEZ INTL (SPINOFF KRAFT)	11,101	12,732

CHARLES MATTHEWS FOUNDATION  
ATTACHMENT #8 SUPPORTING SCHEDULE  
CORPORATE STOCK

#75-2741045

FORM 990-PF	COST	FAIR MKT VALUE
NAME OF STOCK	BAL 12-31-12	BAL 12-31-12
ORACLE	46,257	60,438
PEPSICO	16,827	17,149
PHILLIPS 66 (SPINOFF CONOCO)	10,366	13,275
PIEDMONT OFFICE REALTY	50,088	54,150
PAYCHEX	7,974	7,775
PROCTOR & GAMBLE	55,028	58,657
RR DONNELLEY & SONS	9,624	4,495
SOUTHERN CO	26,480	34,248
SPDR DOW JONES	10,305	11,752
SPDR UTILITIES SELECT	24,987	24,968
TOTAL SA	14,381	13,003
TRANSOCEAN LTD ZUG	8,331	4,466
ROYAL DUTCH SHELL PLC	45,444	49,344
VODAFONE	25,132	23,553
WALMART	22,204	27,292
WASH MUTUAL HOLDINGS	40	7
WELLS FARGO	15,398	16,778
ZIMMER HOLDINGS	17,997	19,998
<b>TOTAL COMMON STOCKS</b>	<b>1,236,259</b>	<b>1,388,770</b>

## 990 SCHEDULE OF INVESTMENTS - CORPORATE BONDS

ATTACHMENT 9: PAGE 1 - 990-PF PAGE 2, PART II, LINE 10C

OPEN TO PUBLIC

INSPECTION

For calendar year 2012, or tax period beginning

, and ending

Name of Organization

THE CHARLES C MATTHEWS FOUNDATION

Employer Identification Number

75-2741045

Description of Property	Cost	FMV at Year End	Book Value	Fair Market Value
CORPORATE BONDS -- SEE ATTACHED SCHEDULE	X		450,675	446,848
			Total:	450,675 446,848



## 990 SCHEDULE OF INVESTMENTS - OTHERS

ATTACHMENT 10: PAGE 1 - 990-PF PAGE 2, PART II, LINE 13

OPEN TO PUBLIC

INSPECTION

For calendar year 2012, or tax period beginning

, and ending

Name of Organization

THE CHARLES C MATTHEWS FOUNDATION

Employer Identification Number

75-2741045

Description	Cost	FMV at Year End	Book Value	Fair Market Value
OTHER INVESTMENTS -- SEE ATTACHED SCHEDULE	X		7,156,370	7,320,797
			Total: 7,156,370	7,320,797

CHARLES MATTHEWS FOUNDATION  
ATTACHMENT #10--SUPPORTING SCHEDULE  
FOR OTHER INVESTMENTS

75-2741045

FORM 990-PF			
FORM 990, PAGE 2, PART II, LINE 13			
<b>TYPE OF INVESTMENT:</b>		<b>COST</b>	<b>FAIR MKT VALUE</b>
<b>EQUITY LINKED CERTIFICATE OF DEPOSITS</b>	<b>MATURITY DATE</b>	<b>BAL 12-31-12</b>	<b>BAL 12-31-12</b>
BANK OF THE WEST	9/30/2016	250,007	264,775
BARCLAYS BANK	10/27/2014	49,190	49,165
BARCLAYS BANK	1/27/2015	145,770	155,415
BARCLAYS BANK	9/28/2015	50,007	47,940
HARRIS BANK	8/31/2016	250,007	261,985
HSBC BANK	10/31/2013	60,870	49,470
HSBC BANK	12/24/2013	32,946	30,051
HSBC BANK	1/29/2016	52,451	49,955
HSBC BANK	9/29/2016	73,017	67,396
HSBC BANK	1/29/2016	52,395	48,750
JP MORGAN CHASE BANK	10/31/2018	101,459	101,600
JP MORGAN CHASE BANK	1/30/2019	153,509	139,845
UNION BANK	7/5/2017	104,968	92,820
UNION BANK	2/2/2018	104,586	94,220
UNION BANK	10/28/2016	51,680	46,965
WELLS FARGO BANK	3/9/2015	104,451	97,750
WELLS FARGO BANK	6/7/2017	103,830	103,875
WEST BANK	11/25/2016	258,256	260,650
<b>TOTAL EQUITY LINKED CD'S</b>		<b>1,999,397</b>	<b>1,962,627</b>
<b>LIMITED PARTNERSHIPS:</b>			
KINDER MORGAN PARTNERS		15,619	19,948
WELLS REIT II PARTNERS		56,516	47,168
<b>TOTAL LIMITED PARTNERSHIPS</b>		<b>72,135</b>	<b>67,115</b>
<b>VARIABLE ANNUITIES:</b>			
JACKSON NATL- PERSPECTIVE II		500,000	535,559
NATIONWIDE--DESTINATION		509,598	509,598
<b>TOTAL VARIABLE ANNUITIES</b>		<b>1,009,598</b>	<b>1,045,157</b>

## CHARLES MATTHEWS FOUNDATION

## ATTACHMENT #10-SUPPORTING SCHEDULE

75-2741045

## FOR OTHER INVESTMENTS

FORM 990-PF			
FORM 990, PAGE 2, PART II, LINE 13			
TYPE OF INVESTMENT:		COST	FAIR MKT VALUE
<b>TOTAL INVESTMENTS--OTHER</b>		<b>3,081,130</b>	<b>3,074,899</b>
<b>MUTUAL FUNDS:</b>			
AIM (INVESCO) TAX FREE INTER A3		109,574	116,156
AIM (INVESCO) SELECT REAL ESTATE/A		50,000	50,894
AM FUNDS--HIGH INCOME/A		25,767	25,954
AM FUNDS--CAPITAL INCOME BLDR/A		19,821	21,547
AM FUNDS--GROWTH FD OF AMER/A		27,217	31,198
AM FUNDS--NEW WORLD FUND/A		17,645	19,443
AM FUNDS--NEW PERSPECTIVE FD/A		16,165	18,187
AM FUNDS--CAPITAL WLD G&I FD/A		14,178	15,343
AM FUNDS--CAPITAL WLD BOND FD/A		220,986	226,333
AM FUNDS--EUROPACIFIC GR FD/A		17,280	18,662
COLUMBIA TAX EXEMPT/A		107,480	110,911
DWS MANAGED MUNI BD/A		73,265	71,942
DWS RREEF GLOBAL INFR FD/A		120,927	131,668
DWS STRATEGIC HY TAX FREE FD/A		109,840	114,524
FRANKLIN INSURED TAX FREE A&C		597,359	635,201
FRANKLIN FED INTERM TAX FREE/A		102,929	105,011
HARTFORD CAPITAL APP FD/A		22,407	24,190
HARTFORD FLOATING RATE FD/A		10,880	10,471
MFS EMERGING MARKET FD/A		137,274	143,818
OPPENHEIMER INTL BOND FD/A		213,297	216,503
OPPENHEIMER INTL SMALL CO/C		600	644
OPPENHEIMER LTD TERM MUNI/A		50,825	50,890
OPPENHEIMER LTD TERM MUNI/C		137,273	142,785
PUTNAM AMT FREE INS/A		539,856	575,521
PUTNAM GLOBAL INCOMD FD/A		205,409	215,227
PUTNAM MULTI CAP GROWTH (NEW OPP)		2,644	3,292
STATE FARM SM MID CAL EQUITY/A		5,800	5,414
STATE FARM 500 INDEX FUND/A		57,585	52,194
STATE FARM BOND FUND/A		94,381	95,815
STATE FARM INTL INDEX FD/A		14,581	11,131
TEMPLETON GLOBAL BOND FD/A		252,581	258,825

CHARLES MATTHEWS FOUNDATION  
ATTACHMENT #10--SUPPORTING SCHEDULE  
FOR OTHER INVESTMENTS

75-2741045

FORM 990-PF			
FORM 990, PAGE 2, PART II, LINE 13			
<b>TYPE OF INVESTMENT:</b>		<b>COST</b>	<b>FAIR MKT VALUE</b>
<b>TOTAL MUTUAL FUNDS</b>		<b>3,375,825</b>	<b>3,519,694</b>
<b>UNIT INVESTMENT TRUSTS:</b>	<b>COST</b>		
	<b>BAL 12-31-11</b>		
ADT 327 INSURED TE MUNI SER 2	497,529	497,529	527,290
ADT 863 HI 50 DIVIDEND 2012-2Q	0	49,766	50,299
ADT 886 BLUE CHIP 2012-2Q	0	25,002	25,584
ADT 900 AGRI BUS 2012-2Q	0	29,957	30,350
ADT 901 HI 50 DIVIDEND 2012-3Q	0	27,881	26,374
ADT 954 HARTFORD GL DIV 2012-4Q	0	49,991	49,371
FT INFLATION HEDGE OPP #7	19,272	19,289	16,936
FT UNIT 2716	4,238	0	0
<b>TOTAL UITS</b>	<b>521,039.00</b>	<b>699,415</b>	<b>726,204</b>
<b>TOTAL INVESTMENTS--OTHER</b>		<b>7,156,370</b>	<b>7,320,797</b>



**990 SCHEDULE OF OTHER DECREASES**

ATTACHMENT 12 : PAGE 1 - 990- PF PAGE 2, PART III, LINE 5

**OPEN TO PUBLIC**

**INSPECTION** For calendar year 2012, or tax period beginning

, and ending

---

Name of Organization

THE CHARLES C. MATTHEWS FOUNDATION

**Employer Identification Number**

75-2741045

**Total:**

20,200

# 990 PART IV CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ATTACHMENT 13: PAGE 1 - 990-PF PAGE 3, PART IV, LINE 1

OPEN TO PUBLIC

INSPECTION

For calendar year 2012 or tax period beginning

, and ending

Name of Organization		Employer Identification Number		
THE CHARLES C MATTHEWS FOUNDATION		75-2741045		
	(a) List and Describe the Kind(s) of Property Sold (e.g., Real Estate, 2-story Brick Warehouse, or Common Stock, 200 shs. MLC Co.)	(b) How Acquired P -- Purchase D -- Donation	(c) Date Acquired (mo., day, yr.)	(d) Date Sold (mo., day, yr.)
1	SALE OF TIMBER	P	01-01-2010	04-01-2012
2	CHEVRON USA - DAMAGES	P	01-01-2010	03-01-2012
3	CAPITAL GAIN DISTRIBUTIONS -- H D VEST	P	01-01-2012	12-31-2012
4	ENTERPRISE PP LP K-1 LT CAPITAL GAIN	P	07-01-2010	12-31-2012
5	H D VEST SHT TRM	P	12-01-2012	12-31-2012
6	H D VEST LNG TRM	P	10-01-2010	12-31-2012
7	INVESTMENT PROFESSIONALS INC SHT TRM	P	01-25-2012	04-16-2012
8	INVESTMENT PROFESSIONALS INC LNG TRM	P	04-01-2010	04-16-2012
9	EDWARD JONES LNG TRM	P	02-17-2011	08-22-2012
10	SAB EQUITY PARTNERSHIP	P	10-01-2010	12-31-2012
	(e) Gross Sales Price	(f) Depreciation Allowed (or allowable)	(g) Cost or Other Basis Plus Expense of Sale	(h) Gain or (loss) (e) Plus (f) Minus (g)
1	1,122		1,122	
2	35,000		35,000	
3	14,565			14,565
4	104			104
5	3,916		4,187	-271
6	197,203		224,931	-27,728
7	23		23	
8	4,472		4,373	99
9	17,373		20,213	-2,840
10	78,408		78,408	
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) Gains (Col. (h) Gain Minus Col. (k), But Not Less Than -0-) or Losses (from col. (h))
(i) FMV as of 12/31/69		(j) Adjusted Basis as of 12/31/69	(k) Excess if Col. (i) Over Col. (j), if Any	
1				14,565
2				104
3				-271
4				-27,728
5				
6				
7				
8				
9				
10				

## 990 BOOKS ARE IN CARE OF

ATTACHMENT 14 - 990-PF PAGE 5, PART VII-A, LINE 14

OPEN TO PUBLIC

INSPECTION

For calendar year 2012, or tax period beginning \_\_\_\_\_, and ending \_\_\_\_\_

Name of Organization

THE CHARLES C MATTHEWS FOUNDATION

Employer Identification Number

75-2741045

Part VII-A - Line 14

Individual Name ..... RAYMOND C SCHIEFFER PC CPA  
or

Business Name:

Street Address ..... 1146 W PANOLA

U S. Address.

Zip code 75633 City CARTHAGE State TX

or

Foreign Address

City ..... \_\_\_\_\_

Province or State ..... \_\_\_\_\_

Country ..... \_\_\_\_\_

Postal code ..... \_\_\_\_\_

Phone Number ..... \_\_\_\_\_ (903) 693-7837

Fax Number ..... \_\_\_\_\_

**990 CURRENT OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES**

**ATTACHMENT 15 : PAGE 1 - 990-PF PAGE 6, PART VIII**

OPEN TO PUBLIC

INSPECTION	For calendar year 2012, or tax period beginning	, and ending	Employer Identification Number	
Name of Organization			75-2741045	
THE CHARLES C MATTHEWS FOUNDATION				
(A) Name and Address	(B) Title and Average Hrs per Week	(C) Compensation (If not paid, enter 0)	(D) Cont. to Employee Ben. Plans & Def Comp.	(E) Expense Account & Other Allowances
ROBERT M. UNDERWOOD PO BOX 1138 CARTHAGE, TX 75633	TRUSTEE 2.00	32,500		
RICHARD BALLENGER 1276 STATE HWY 149 CARTHAGE, TX 75633	TRUSTEE 2.00	32,500		
JOHN W. CONWAY 508 WESTPARK LANE CARTHAGE, TX 75633	TRUSTEE 2.00	32,500		
JIMMY D. PAYNE CR 304 CARTHAGE, TX 75633	TRUSTEE 2.00	32,500		
DAVID BUSH 665 CR 403 CARTHAGE, TX 75633	TRUSTEE 2.00	32,500		
VERMOYN D REEDER 110 CR 1081 CARTHAGE, TX 75633	TRUSTEE 2.00	32,500		

# 990 GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 16 : PAGE 1 990-PF PAGE 11, PART XV LINE 3A

OPEN TO PU

INSPECTION For calendar year 2012, or tax period beginning

, and ending

Name of Organization

THE CHARLES C MATTHEWS FOUNDATION

Employer Identification Number  
75-2741045

Recipient	If Recipient is an Individual, Show any Relationship to Any Foundation Manager or Substantial Contributor	Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
Name and Address (home or business)				
MISSION CARTHAGE INC 940 E SABINE CARTHAGE, TX 75633	NONE	PUBLIC CHARIT	DONATION	33,000
BISD FOUNDATION #1 BEARCAT DR BECKVILLE, TX 75631	NONE	EDUCAT FDN	DONATION	38,500
BOY SCOUTS OF AMERICA 1331 EAST 5TH ST TYLER, TX 75701	NONE	PUBLIC CHARIT	DONATION	1,100
CARTHAGE ATHLETIC DEPT #1 BULLDOG DR CARTHAGE, TX 75633	NONE	PUBLIC CHARIT	DONATION	4,300
CARTHAGE ISD FOUNDATION #1 BULLDOG DR CARTHAGE, TX 75633	NONE	EDUCAT FDN	DONATION	137,500
FIRST UNITED METHODIST CHURCH 201 S SHELBY CARTHAGE, TX 75633	NONE	RELIGI ORG	DONATION	33,000
GARY INDEPENDENT SCHOOL DISTRICT 132 BOBCAT TRAIL GARY, TX 75643	NONE	EDUCAT	SCHOLARSHIPS	11,000
PANOLA COLLEGE 1109 W PANOLA CARTHAGE, TX 75633	NONE	EDUCAT	ENDOWED SCHOLARSHIPS	55,000
NEW DESTINATIONS INC PO BOX 1515 CARTHAGE, TX 75633	NONE	PUBLIC CHARIT	DONATION	5,500
SAMARITAN HOUSE 324 S SHELBY CARTHAGE, TX 75633	NONE	PUBLIC CHARIT	DONATION	5,500
ST JUDE'S CHILDREN RESEARCH CENTER 501 ST JUDE PLACE MEMPHIS, TN 38105	NONE	PUBLIC CHARIT	DONATION	11,000
STILL WATER COWBOY CHURCH	NONE	DONATI	DONATION	
			Total:	335,400

## **990 GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR**

ATTACHMENT 16 : PAGE 2 990-PF PAGE 11, PART XV LINE 3A

---

## OPEN TO PU

**INSPECTION** For calendar year 2012, or tax period beginning

, and ending

NAME OF ORGANIZATION

**THE CHARLES C. MATTHEWS FOUNDATION**

Employer Identification Number  
75-2741045

Recipient	If Recipient is an Individual, Show any Relationship to Any Foundation Manager or Substantial Contributor	Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
Name and Address (home or business)				
PO BOX 166 CARTHAGE, TX 75633		RELIGI ORG		11,000
CARTHAGE ROTARY CLUB PO BOX 653 CARTHAGE, TX 75633	NONE	PUBLIC CHARIT	DONATION	1,100
PANOLA CNTY HIST & GENEOLOCIAL SCTY 100 EAST SABINE CARTHAGE, TX 75633	NONE	PUBLIC CHARIT	DONATION	5,500
WELCOME HOME SOLDIERS 3828 DRIFTWOOD LANE TYLER, TX 75701	NONE	PUBLIC CHARIT	DONATION	1,500
PANOLA COUNTY MINISTRIES 1018 UNIVERSITY CIRCLE CARTHAGE, TX 75633	NONE	MEDICAL CHARIT	TRANSPORTATION	2,045

# 990 SCHEDULE OF OTHER REVENUE

ATTACHMENT 17 : PAGE 1 - 990-PF PAGE 12, PART XVI-A, LINE 11

OPEN TO PUBLIC

INSPECTION

For calendar year 2012, or tax period beginning

, and ending

Name of Organization

THE CHARLES C MATTHEWS FOUNDATION

Employer Identification Number

75-2741045

Item	Program Service Revenue	Unrelated Business Income		(c) Excl. code	(d) Amount	(e) Related or Exempt Function Income (see instructions)
		(a) Business Code	(b) Amount			
A	INTEREST INCOME - CODY BUSH			16	2,327	
B	INTEREST INCOME - DAVID BUSH			16	920	
C	FARM INCOME - CROP PROD INCENTIVE	110000	918			
D	ROYALTY INCOME - ANADARKO			15	40,466	
E	ROYALTY INCOME - CHEVRON USA			15	721,429	
F	OTHER INCOME - CHEVRON USA			15	244	
G	ROYALTY INCOME - COMSTOCK			15	3,663	
H	ROYALTY INCOME - EXXON MOBIL			15	991	
I	ROYALTY INCOME - HARLETON OIL & GAS			15	45	
J	ROYALTY INCOME - KABCO			15	1,740	
K	ROYALTY INCOME - R LACY SVCS			15	28,297	
L	ROYALTY INCOME - SILVER OAK OPR			15	3	
M	ROYALTY INCOME - SAMSON LONESTAR			15	7,051	
N	ROYALTY INCOME - XTO			15	1,294	
O	ROYALTY INCOME - O'BRIEN RES			15	16	
P	OTHER INCOME - NATIONWIDE INS ANNUITY			14	9,598	
Q	KINDER MORGAN LP K-1 ORD LOSS			1	-1,506	
R	MARKWEST LP K-1 ORD LOSS			1	-2,958	
S	ENTERPRISE PP LP K-1 ORD LOSS			1	-2,724	
T	ENERGY TRANSFER PTNRS K-1 ORD LOSS			1	-1,242	
U	BOARDWALK PIPELINE K-1 ORD LOSS			1	-461	
V	CHARLES C MATTHEWS ESTATE			1	1	
		<b>Totals:</b>	<b>918</b>		<b>809,194</b>	

## 2012 DETAIL STATEMENTS

THE CHARLES C MATTHEWS FOUNDAT  
75-2741045

PAGE 1

---

STATEMENT #1 - OCCUPANCY (990-PF PG 1 LINE 20)

INSURANCE -- PERSONAL PROPERTY.....	500
UTILITIES -- RANCH HOUSE.....	1,082
TOTAL CARRIED TO 990-PF PG 1 LINE 20.....	1,582

---

STATEMENT #2 - OCCUPANCY (990-PF PG 1 LINE 20(B))

INSURANCE -- PERSONAL PROPERTY.....	200
UTILITIES -- RANCH HOUSE.....	433
TOTAL CARRIED TO 990-PF PG 1 LINE 20(B) .....	633

---

STATEMENT #3 - SAVINGS & TEMP CASH INV FMV (990-PF PG 2 LINE 2(C))

ED JONES T/F MONEY MKT.....	19,201
FIRST STATE BANK.....	2,288,333
STATE FARM BANK MONEY MKT.....	30,000
IPI DEUTSCHE MONEY MKT.....	16,321
PROSPERITY BANK.....	83,666
WFI NATL T/F MONEY MKT.....	29,025
TOTAL CARRIED TO 990-PF PG 2 LINE 2(C) .....	2,466,546

---

STATEMENT #4 - MONTHLY FMV OF SECURITIES (990-PF PG 8 LINE 1A)

EDWARD JONES SECURITIES ACCT.....	112,001
H.D. VEST SECURITES ACCOUNT.....	9,602,476
INVTMT PROFESSIONALS, INC ACCT.....	36,657
JACKSON NATL VARIABLE ANNUITY.....	420,941
NATIONWIDE VARIABLE ANNUITY.....	424,645
TOTAL CARRIED TO 990-PF PG 8 LINE 1A.....	10,596,720

---

## 2012 DETAIL STATEMENTS

THE CHARLES C MATTHEWS FOUNDAT  
75-2741045

PAGE 2

---

STATEMENT #5 - INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS (990-PF PG 12 LINE 3)

FIRST STATE BANK - #86568.....	3,811
PROSPERITY BANK.....	167

TOTAL CARRIED TO 990-PF PG 12 LINE 3..... 3,978

---

STATEMENT #6 - DIVIDENDS & INTEREST EXCL AMT (990-PF PG 12 LINE 4)

H.D. VEST - OID.....	38,999
H.D. VEST - CMO'S INTEREST.....	7,131
H.D. VEST - CORP INTEREST.....	46,990
EDWARD JONES INTEREST.....	79
H.D. VEST DIVIDENDS.....	83,773
IPI DIVIDENDS.....	1,109
EDWARD JONES DIVIDENDS.....	2,230
H.D. VEST TAX FREE INTEREST.....	104,611
KINDER MORGAN ENERGY PTNRS LP K-1 DIVIDENDS.....	8
MARKWEST ENERGY PTNRS LP K-1 DIVIDENDS.....	329
SAB EQUITY PTNRSHP LP K-1 DIVIDENDS.....	1,276
INVESTMENT PROFESSIONALS INC INTEREST.....	80
KINDER MORGAN ENERGY PTNRS LP K-1 INTEREST.....	16
MARKWEST ENERGY PTNRS LP K-1 INTEREST.....	77
ENTERPRISE PRODUCTS PTRNS LP K-1 INTEREST.....	2
SAB EQUITY PTNRSHP LP K-1 INTEREST.....	18
HD VEST EXEMPT-INT DIVIDENDS.....	78,823
STATE FARM DIVIDENDS.....	6,546
ENTERPRISE PRODUCTS PTNRS LP DIVIDENDS.....	1
ENERGY TRANSF PTNRS INTEREST.....	54
ENERGY TRANSF PTNRS DIVIDENDS.....	109
BOARDWALK PIPELINE INTEREST.....	1

TOTAL CARRIED TO 990-PF PG 12 LINE 4..... 372,262

---

# Depreciation and Amortization (Including Information on Listed Property)

OMB No. 1545-0172

2012

Attachment  
Sequence No. 179Department of the Treasury  
Internal Revenue Service (99)

▶ See separate instructions.

▶ Attach to your tax return.

Name(s) shown on return

Business or activity to which this form relates

Identifying number

THE CHARLES C MATTHEWS FOUNDATFOR

75-2741045

**Part I Election To Expense Certain Property Under Section 179**

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

1 Maximum amount (see instructions) .....	1		
2 Total cost of section 179 property placed in service (see instructions) .....	2		
3 Threshold cost of section 179 property before reduction in limitation (see instructions) .....	3		
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- .....	4		
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions .....	5		
	500,000		
<b>6 (a) Description of property</b>	<b>(b) Cost (busin use only)</b>	<b>(c) Elected cost</b>	
<b>7 Listed property Enter the amount from line 29 .....</b>	<b>7</b>		
<b>8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7 .....</b>	<b>8</b>		
<b>9 Tentative deduction Enter the smaller of line 5 or line 8 .....</b>	<b>9</b>		
<b>10 Carryover of disallowed deduction from line 13 of your 2011 Form 4562 .....</b>	<b>10</b>		
<b>11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)</b>	<b>11</b>		500,000
<b>12 Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11 .....</b>	<b>12</b>		
<b>13 Carryover of disallowed deduction to 2013 Add lines 9 and 10, less line 12 .....</b>	<b>13</b>		

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

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

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

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

Section A						
17 MACRS deductions for assets placed in service in tax years beginning before 2012 .....	17					7,451
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here .....						<input type="checkbox"/>

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

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depr (business/investment use only -- see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

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

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

**Part IV Summary (See instructions.)**

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

For Paperwork Reduction Act Notice, see separate instructions.

Form 4562 (2012)