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Form **990-PF****Return of Private Foundation**
or Section 4947(a)(1) Trust Treated as Private Foundation

OMB No 1545-0052

2013Department of the Treasury
Internal Revenue Service

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► Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

Open to Public Inspection

For calendar year 2013 or tax year beginning , and ending

Name of foundation Endowment for Regional Sustainability Science		A Employer identification number 20-2028290
Number and street (or P O box number if mail is not delivered to street address) 24 Waterway Avenue	Room/suite 300	B Telephone number (see instructions) 713-377-5085
City or town, state or province, country, and ZIP or foreign postal code The Woodlands TX 77380		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ► \$ 33,815,468	J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	10,150	10,150		
	4 Dividends and interest from securities	403,424	403,424		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	3,834,221			
	b Gross sales price for all assets on line 6a 82,386,235				
	7 Capital gain net income (from Part IV, line 2)		3,834,221		
	8 Net short-term capital gain			0	
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	4,247,795	4,247,795	0		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule) Stmt 1	5,022			5,022
	c Other professional fees (attach schedule) Stmt 2	725			725
	17 Interest				
	18 Taxes (attach schedule) (see instructions) Stmt 3	2,022	21		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (att sch)				
	24 Total operating and administrative expenses. Add lines 13 through 23	7,769	21	0	5,747
25 Contributions, gifts, grants paid	1,500,000			1,500,000	
26 Total expenses and disbursements. Add lines 24 and 25	1,507,769	21	0	1,505,747	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	2,740,026				
b Net investment income (if negative, enter -0-)		4,247,774			
c Adjusted net income (if negative, enter -0-)			0		

For Paperwork Reduction Act Notice, see instructions.

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash – non-interest-bearing				
	2	Savings and temporary cash investments		2,159,525	4,782,350	4,782,350
	3	Accounts receivable ▶ Less allowance for doubtful accounts ▶				
	4	Pledges receivable ▶ Less allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)				
	7	Other notes and loans receivable (attach schedule) ▶ See Wrk 980,000 Less allowance for doubtful accounts ▶ 0		1,170,000	980,000	980,000
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments – U S and state government obligations (attach schedule)				
	b	Investments – corporate stock (attach schedule) See Stmt 4		23,705,476	24,035,638	28,042,594
	c	Investments – corporate bonds (attach schedule)				
	11	Investments – land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch) ▶				
	12	Investments – mortgage loans				
	13	Investments – other (attach schedule)				
	14	Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch) ▶				
	15	Other assets (describe ▶ See Statement 5)		33,485	10,524	10,524
	16	Total assets (to be completed by all filers – see the instructions. Also, see page 1, item I)		27,068,486	29,808,512	33,815,468
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 or Fund Balances		Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ▶ <input type="checkbox"/>				
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>				
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, bldg, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds		27,068,486	29,808,512	
	30	Total net assets or fund balances (see instructions)		27,068,486	29,808,512	
	31	Total liabilities and net assets/fund balances (see instructions)		27,068,486	29,808,512	

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	27,068,486
2	Enter amount from Part I, line 27a	2	2,740,026
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	29,808,512
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	29,808,512

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 Worksheet				
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) FMV 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)		<div style="border: 1px solid black; padding: 2px;"> If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 </div>	2	3,834,221
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	1,614,577

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

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

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

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

☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2012	1,353,897	26,489,897	0.051110
2011	1,683,629	29,798,326	0.056501
2010	1,879,984	28,038,810	0.067049
2009	1,118,174	26,965,426	0.041467
2008	1,517,011	31,824,803	0.047668
2 Total of line 1, column (d)			2 0.263795
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 0.052759
4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5			4 36,295,413
5 Multiply line 4 by line 3			5 1,914,910
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 42,478
7 Add lines 5 and 6			7 1,957,388
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.			8 1,505,747

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 instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	84,955
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0
3	Add lines 1 and 2	3	84,955
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	84,955
6	Credits/Payments		
a	2013 estimated tax payments and 2012 overpayment credited to 2013	6a	9,814
b	Exempt foreign organizations – tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	45,000
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	54,814
8	Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	33
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	30,174
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be: Credited to 2014 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? If the answer is "Yes" to 1a or 1b , attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> TX		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13		
14	The books are in care of ► John B. Planchard 24 Waterway Avenue, Suite 300 Located at ► The Woodlands TX ZIP+4 ► 77380	Telephone no ► 713-377-5017		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 – Check here and enter the amount of tax-exempt interest received or accrued during the year	15		
16	At any time during calendar year 2013, 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? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ►	16	Yes	No X

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A	1b
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2013?	N/A	1c
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013? If "Yes," list the years ► 20 , 20 , 20 , 20	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement – see instructions.)	N/A	2b
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► 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 2013 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 2013)	N/A	3b
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2013?		X

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

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

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

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

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

If "Yes," attach the statement required by Regulations section 53.4945–5(d)

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

X

If "Yes" to 6b, file Form 8870

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

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 average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 6				

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

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

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

☒ 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 N/A	
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 N/A	
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	26,931,266
b	Average of monthly cash balances	1b	8,934,869
c	Fair market value of all other assets (see instructions)	1c	982,000
d	Total (add lines 1a, b, and c)	1d	36,848,135
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	36,848,135
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	552,722
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	36,295,413
6	Minimum investment return. Enter 5% of line 5	6	1,814,771

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	1,814,771
2a	Tax on investment income for 2013 from Part VI, line 5	2a	84,955
b	Income tax for 2013 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	84,955
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,729,816
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	1,729,816
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	1,729,816

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	1,505,747
b	Program-related investments – total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,505,747
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,505,747

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 2012	(c) 2012	(d) 2013
1 Distributable amount for 2013 from Part XI, line 7				1,729,816
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only				
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2013				
a From 2008				
b From 2009				
c From 2010				487,195
d From 2011				202,195
e From 2012				41,910
f Total of lines 3a through e	731,300			
4 Qualifying distributions for 2013 from Part XII, line 4. ▶ \$ <u>1,505,747</u>				
a Applied to 2012, 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 2013 distributable amount				1,505,747
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a))	224,069			224,069
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	507,231			
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 2012. Subtract line 4a from line 2a Taxable amount – see instructions				
f Undistributed income for 2013 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2014				0
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 2008 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a	507,231			
10 Analysis of line 9				
a Excess from 2009				
b Excess from 2010				263,126
c Excess from 2011				202,195
d Excess from 2012				41,910
e Excess from 2013				

Form **990-PF** (2013)

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 Houston Advanced Research 4800 Research Forest Dr. The Woodlands TX 77380	Improve human &	501(C)(3)	ecosystem well-being	1,500,000
Total			▶ 3a	1,500,000
b Approved for future payment N/A				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1	Program service revenue					
a						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments			14	10,150	
4	Dividends and interest from securities					403,424
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					3,834,221
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue a					
b						
c						
d						
e						
12	Subtotal. Add columns (b), (d), and (e)		0		10,150	4,237,645
13	Total. Add line 12, columns (b), (d), and (e)				13	4,247,795

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

- 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?
 - a** Transfers from the reporting foundation to a noncharitable exempt organization of
 - (1)** Cash
 - (2)** Other assets
 - b** Other transactions
 - (1)** Sales of assets to a noncharitable exempt organization
 - (2)** Purchases of assets from a noncharitable exempt organization
 - (3)** Rental of facilities, equipment, or other assets
 - (4)** Reimbursement arrangements
 - (5)** Loans or loan guarantees
 - (6)** Performance of services or membership or fundraising solicitations
 - 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.

	Yes	No
1a(1)		X
1a(2)		X
1b(1)		X
1b(2)		X
1b(3)		X
1b(4)		X
1b(5)		X
1b(6)		X
1c		X


[illegible]☐ Yes ☒ No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

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.

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


Signature of officer or trustee

11/13/2014
Date

Vice President
Title

Print/Type preparer's name

Preparer's signature

Date _____

Check ☐ if self-employed

JAMES B Hruzek

Preparer's signature James B. Hunsick

NOV 3 2014

Firm's name ▶ Conklin Hruzek & Co., P.C.

PTIN P00436814

Firm's address ▶ 801 Travis, Suite 2050
Houston, TX 77002

Firm's EIN ▶ 74-1896110

Phone no 713-224-2300

Form **990-PF** (2013)

For calendar year 2013, or tax year beginning

, and ending

Name

Endowment for Regional
Sustainability Science

Taxpayer Identification Number

20-2028290

Interest on Late Payments and Failure to File Worksheet

[illegible]**Total interest on late payments**

459

Total failure to file penalty

Failure to Pay Penalty Worksheet

[illegible]**Total failure to pay penalty**

904

Form 990-PF	Capital Gains and Losses for Tax on Investment Income	2013
For calendar year 2013, or tax year beginning _____, and ending _____		

Name Endowment for Regional Sustainability Science	Employer Identification Number 20-2028290
--	---

(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)	P		
(2) 10,000 Shs. Ishares MSCI Emerging Ma	P	Various	09/27/13
(3) 19,000 Shs. Ishares Russell 2000 Etf	P	Various	01/13/13
(4) 9,000 Shs. Ishares 1-3 Yr Credit Bon	P	Various	04/04/13
(5) 10,000 Shs. Ishares 1-3 Yr Treasury	P	Various	04/04/13
(6) 64,000 Shs. Ishares 20+ Yr Treasury	P	Various	04/22/13
(7) 20,000 Shs. Ishares 7-10 Yr Treasury	P	Various	04/29/13
(8) 9,000 Shs. Pimco Enhanced Short Matu	P	Various	04/04/13
(9) 123,740 Shs. Powershares QQQ Etf	P	Various	Various
(10) 8,000 Shs. Sector Energy Select Sect	P	Various	09/27/13
(11) 10,000 Shs. Sector Financial Select	P	Various	02/04/13
(12) 13,000 Shs. Sector Healthcare Select	P	Various	09/27/13
(13) 54,305 Shs. SPDR Dow Jones Industria	P	Various	Various
(14) 15,000 Shs. SPDR S&P Mid Cap 400 Etf	P	Various	Various
(15) 74,000 Shs. SPDR S&P 500 Etf	P	Various	Various

(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)			
(2) 411,493		401,000	10,493
(3) 1,689,062		1,537,621	151,441
(4) 949,336		947,788	1,548
(5) 844,682		844,500	182
(6) 7,861,368		7,724,577	136,791
(7) 2,177,021		2,161,769	15,252
(8) 913,663		913,590	73
(9) 9,280,089		8,955,881	324,208
(10) 667,448		664,400	3,048
(11) 174,497		167,899	6,598
(12) 658,441		652,598	5,843
(13) 8,108,139		6,796,043	1,312,096
(14) 3,358,072		3,253,049	105,023
(15) 12,292,492		12,953,260	-660,768

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
(1)			
(2)			10,493
(3)			151,441
(4)			1,548
(5)			182
(6)			136,791
(7)			15,252
(8)			73
(9)			324,208
(10)			3,048
(11)			6,598
(12)			5,843
(13)			1,312,096
(14)			105,023
(15)			-660,768

Form 990-PF	Capital Gains and Losses for Tax on Investment Income	2013
For calendar year 2013, or tax year beginning _____, and ending _____		

Name Endowment for Regional Sustainability Science	Employer Identification Number 20-2028290
---	--

(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) 10,000 Shs. Vanguard Intermediate T	P	Various	04/30/13
(2) 10,000 Shs. Vanguard Intermediate Te	P	Various	04/30/13
(3) 10,000 Shs. Vanguard Short Term Bond	P	Various	04/04/13
(4) 30,000 Shs. Sector Consumer Discreti	P	Various	Various
(5) 35,000 Shs. Sector Materials Select	P	Various	Various
(6) 20,000 Shs. Sector Technology Select	P	Various	09/27/13
(7) 3,500 Shs. Ace	P	Various	05/22/13
(8) 9,000 Shs. Aflac	P	Various	05/22/13
(9) 3,000 Shs. Airgas	P	Various	07/30/13
(10) 8,000 Shs. Autodesk	P	Various	05/14/13
(11) 10,000 Shs. Autonation	P	Various	10/29/13
(12) 8,026.073 Shs. Boeing	P	Various	05/22/13
(13) 4,073.174 Shs. Boeing	P	Various	05/22/13
(14) 10,000 Shs. Capital One Financial	P	Various	03/14/13
(15) 4,000 Shs. CF Industries Holdings	P	Various	05/14/13

(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) 886,900		875,498	11,402
(2) 886,950		872,300	14,650
(3) 809,382		808,709	673
(4) 1,792,910		1,732,900	60,010
(5) 1,445,593		1,430,347	15,246
(6) 642,791		635,400	7,391
(7) 312,584		278,880	33,704
(8) 496,792		479,417	17,375
(9) 303,475		275,346	28,129
(10) 315,113		319,120	-4,007
(11) 484,955		522,817	-37,862
(12) 786,753		743,952	42,801
(13) 399,271		307,057	92,214
(14) 545,489		561,800	-16,311
(15) 770,503		793,223	-22,720

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) OR Losses (from col (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
(1)			11,402
(2)			14,650
(3)			673
(4)			60,010
(5)			15,246
(6)			7,391
(7)			33,704
(8)			17,375
(9)			28,129
(10)			-4,007
(11)			-37,862
(12)			42,801
(13)			92,214
(14)			-16,311
(15)			-22,720

Form 990-PF	Capital Gains and Losses for Tax on Investment Income	2013
For calendar year 2013, or tax year beginning _____, and ending _____		

Name Endowment for Regional Sustainability Science	Employer Identification Number 20-2028290
---	--

(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) 4,000 Shs. Chevron	P	Various	08/01/13
(2) 2,581.694 Shs. Chevron	P	Various	08/01/13
(3) 20,000 Shs. Coca-Cola	P	Various	Various
(4) 8,827.617 Shs. Conoco-Phillips	P	Various	05/14/13
(5) 4,110.763 Shs. Conoco-Phillips	P	Various	05/14/13
(6) 10,000 Disney Walt	P	Various	07/29/13
(7) 8,321.816 Shs. Dominion Resources	P	Various	08/01/13
(8) 10,000 Shs. Ecolab	P	Various	05/22/13
(9) 6,215.623 Shs. International Paper	P	Various	09/27/13
(10) 1,000 Shs. Intuitive Surgical	P	Various	02/22/13
(11) 10,000 Shs. Johnson Controls	P	Various	07/30/13
(12) 6,000 Shs. Kraft Foods Grp	P	Various	07/30/13
(13) 3,333 Shs. Kraft Foods Grp	P	Various	07/30/13
(14) 12,607 Shs. Lilly Eli	P	Various	10/29/13
(15) 10,000 Shs. Lyondellbasell Industrie	P	Various	07/29/13

(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) 504,391		483,600	20,791
(2) 325,546		206,798	118,748
(3) 1,566,577		1,608,899	-42,322
(4) 551,525		527,985	23,540
(5) 256,829		175,666	81,163
(6) 647,389		652,900	-5,511
(7) 495,306		382,077	113,229
(8) 873,585		638,625	234,960
(9) 282,452		174,867	107,585
(10) 574,977		585,111	-10,134
(11) 405,893		370,299	35,594
(12) 341,094		310,380	30,714
(13) 189,478		126,556	62,922
(14) 634,918		708,135	-73,217
(15) 670,195		690,599	-20,404

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) OR Losses (from col (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
(1)			20,791
(2)			118,748
(3)			-42,322
(4)			23,540
(5)			81,163
(6)			-5,511
(7)			113,229
(8)			234,960
(9)			107,585
(10)			-10,134
(11)			35,594
(12)			30,714
(13)			62,922
(14)			-73,217
(15)			-20,404

Form 990-PF	Capital Gains and Losses for Tax on Investment Income	2013
For calendar year 2013, or tax year beginning _____, and ending _____		

Name Endowment for Regional Sustainability Science	Employer Identification Number 20-2028290
---	--

(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) 10,000 Shs. Mondelez International	P	Various	07/30/13
(2) 30,200 Shs. Morgan Stanley	P	Various	Various
(3) 16,000 Shs. Nike	P	Various	05/22/13
(4) 10,000 Shs. Oracle	P	Various	02/22/13
(5) 20,841.702 Shs. Pfizer	P	Various	08/01/13
(6) 7,078.095 Shs. Praxair	P	Various	02/22/13
(7) 4,039.697 Shs. Praxair	P	Various	02/22/13
(8) 1,500 Shs. Priceline.com	P	Various	02/22/13
(9) 10,000 Shs. Sandisk	P	Various	07/29/13
(10) 6,000 Shs. Simon Property Group	P	Various	05/22/13
(11) 11,000 Shs. UnitedHealth Group	P	Various	09/27/13
(12) 10,000 Shs. Altria Group	P	Various	09/27/13
(13) 11,000 Shs. Devon Energy	P	Various	05/14/13
(14) 10,000 Shs. Dow Chemical	P	Various	10/29/13
(15) 7,500 Shs. Goldman Sachs Group	P	Various	05/22/13

(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) 311,403		234,143	77,260
(2) 817,291		789,118	28,173
(3) 1,028,997		771,198	257,799
(4) 342,198		340,300	1,898
(5) 606,275		403,676	202,599
(6) 780,853		824,635	-43,782
(7) 445,773		434,924	10,849
(8) 1,026,873		1,096,602	-69,729
(9) 554,790		623,590	-68,800
(10) 1,053,475		931,623	121,852
(11) 790,831		723,800	67,031
(12) 346,194		264,297	81,897
(13) 652,984		406,340	246,644
(14) 392,200		398,900	-6,700
(15) 1,193,330		1,126,783	66,547

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
(1)			77,260
(2)			28,173
(3)			257,799
(4)			1,898
(5)			202,599
(6)			-43,782
(7)			10,849
(8)			-69,729
(9)			-68,800
(10)			121,852
(11)			67,031
(12)			81,897
(13)			246,644
(14)			-6,700
(15)			66,547

Form 990-PF	Capital Gains and Losses for Tax on Investment Income	2013
For calendar year 2013, or tax year beginning _____, and ending _____		

Name Endowment for Regional Sustainability Science	Employer Identification Number 20-2028290
--	---

(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) 200 Shs. Kellogg	P	Various	08/01/13
(2) 2,000 Shs. Mastercard	P	Various	05/22/13
(3) 10,000 Shs. Murphy Oil	P	Various	02/22/13
(4) 10,000 Shs. Saint Jude Medical	P	Various	09/27/13
(5) 6,000 Shs. Visa	P	Various	09/27/13
(6) Vanguard Brokerage			
(7)			
(8)			
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			

(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) 13,106		11,122	1,984
(2) 1,154,440		743,565	410,875
(3) 610,839		612,500	-1,661
(4) 522,647		536,000	-13,353
(5) 1,155,978		1,025,660	130,318
(6) 339			339
(7)			
(8)			
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
(1)			1,984
(2)			410,875
(3)			-1,661
(4)			-13,353
(5)			130,318
(6)			339
(7)			
(8)			
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Prof. Serv. - Accounting	\$ 5,022	\$	\$	\$ 5,022
Total	\$ 5,022	\$ 0	\$ 0	\$ 5,022

Statement 2 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	\$ 725	\$	\$	\$ 725
Total	\$ 725	\$ 0	\$ 0	\$ 725

Statement 3 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Section 4940 Taxes	\$ 2,000	\$	\$	
Foreign Taxes Paid	21	21		
Rounding	1			
Total	\$ 2,022	\$ 21	\$ 0	\$ 0

Statement 4 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Devon Stock	\$ 753,668	\$ 347,328	Cost	\$ 571,767
Other Equities	22,951,808	23,688,310	Cost	27,470,827
Total	\$ 23,705,476	\$ 24,035,638		\$ 28,042,594

Federal Statements

Statement 5 - Form 990-PF, Part II, Line 15 - Other Assets

Description	Beginning of Year	End of Year	Fair Market Value
Dividend Receivable	\$ 22,864	\$	\$
Federal Tax Deposit	10,621	10,524	10,524
Total	\$ 33,485	\$ 10,524	\$ 10,524

Federal Statements

Statement 6 - Form 990-PF, Part VIII, Line 1 - List of Officers, Directors, Trustees, Etc.

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
Barry E. Leavitt 24 Waterway Avenue, Suite 300 The Woodlands TX 77380	Dir/Pres.	0.00	0	0	0
John B. Planchard 24 Waterway Avenue, Suite 300 The Woodlands TX 77380	VP/Sec/Treas	0.00	0	0	0
Marilu Hestings 4800 Research Forest Dr. The Woodlands TX 77380	Director	0.00	0	0	0
Katherine Lorenz 24 Waterway Avenue, Suite 300 The Woodlands TX 77380	Director	0.00	0	0	0
Jonathan Zonis 29/F Jardine House Hong Kong HK	Director	0.00	0	0	0
Dietrich Scheder-Bieschin Vorsetzin 50, 20459 Hamburg GM	Director	0.00	0	0	0