



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) Trust Treated as Private Foundation

2013

Department of the Treasury
Internal Revenue Service

▶ Do not enter Social Security numbers on this form as it may be made public.
▶ 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 , 2013, and ending , 20

Name of foundation The B. Gill Clements Foundation		A Employer identification number 73-1645566
Number and street (or P O box number if mail is not delivered to street address) 1901 N. Akard St.	Room/suite	B Telephone number (see instructions) 214 720 0190
City or town, state or province, country, and ZIP or foreign postal code Dallas, TX 75201-2305		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) ▶ \$ 14,841,924.29	J Accounting method: <input checked="" type="checkbox"/> Cash <input 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, column (d) must be on cash basis)		

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (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	8,945.28	8,945.28		
	4 Dividends and interest from securities	645,520.16	645,520.16		
	5a Gross rents	457.60	457.60		
	b Net rental income or (loss)	355.00			
	6a Net gain or (loss) from sale of assets not on line 10	137,854.36			
	b Gross sales price for all assets on line 6a	655,397.28			
	7 Capital gain net income (from Part IV, line 2)		137,854.36		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)	0.00				
11 Other income (attach schedule)	87,200.81	87,200.81			
12 Total. Add lines 1 through 11	879,978.21	879,978.21	0.00		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	7,500.00	7,500.00		7,500.00
	c Other professional fees (attach schedule)	54,290.51	54,290.51		
	17 Interest	1.75	1.75		
	18 Taxes (attach schedule) (see instructions)	10,220.59	10,220.59		1,573.83
	19 Depreciation (attach schedule) and depletion	13,080.12	13,080.12		
	20 Occupancy	22,811.41	22,811.41		22,811.41
	21 Telephone, travel, conferences, and meetings				
22 Printing and publications					
23 Other expenses (attach schedule)	10,051.54	10,051.54		34.00	
24 Total operating and administrative expenses. Add lines 13 through 23	117,955.92	117,955.92	0.00	31,919.24	
25 Contributions, gifts, grants paid	641,500.00			641,500.00	
26 Total expenses and disbursements. Add lines 24 and 25	759,455.92	117,955.92	0.00	673,419.24	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	120,522.29				
b Net investment income (if negative, enter -0-)		762,022.29			
c Adjusted net income (if negative, enter -0-)			0.00		

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		121,769.50	37,199.88	37,199.88	
	2 Savings and temporary cash investments		905,124.37	804,045.29	804,045.29	
	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) ▶ Less: allowance for doubtful accounts ▶					
	8 Inventories for sale or use					
	9 Prepaid expenses and deferred charges					
	10a Investments—U.S. and state government obligations (attach schedule)					
	b Investments—corporate stock (attach schedule)		9,928,370.77	10,323,669.86	12,922,317.12	
	c Investments—corporate bonds (attach schedule)					
	11 Investments—land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶					
	12 Investments—mortgage loans					
	13 Investments—other (attach schedule) <u>Depton Royalty</u>				353,323.85	
	14 Land, buildings, and equipment: basis ▶ <u>138,460.00</u> Less: accumulated depreciation (attach schedule) ▶ <u>55,421.85</u>		96,118.27	83,038.15	83,038.15	
15 Other assets (describe ▶ <u>1,284 SHS ANB CORP. @ \$500</u>)		18,701.00	18,701.00	642,000.00		
16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)		11,070,083.91	11,266,654.18	14,841,924.29		
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)		0.00	0.00		
Net Assets or Fund Balances	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, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.					
	27 Capital stock, trust principal, or current funds		11,070,083.91	11,266,654.18		
	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)		11,070,083.91	11,266,654.18			
31 Total liabilities and net assets/fund balances (see instructions)		11,070,083.91	11,266,654.18			

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	11,070,083.91
2 Enter amount from Part I, line 27a		2	120,522.29
3 Other increases not included in line 2 (itemize) ▶ <u>Non Dividend Distributions</u>		3	75,934.27
4 Add lines 1, 2, and 3		4	11,266,540.47
5 Decreases not included in line 2 (itemize) ▶ <u>Adjustment</u>		5	(113.71)
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30		6	11,266,654.18

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	.348 Enerplus	p	3/20/13	3/20/13
b	.271 Enerplus	p	1/13/06	1/22/13
c	16,000 CenturyLink Inc	p	10/6/11	8/7/13
d	Capital Gain Distributions	p		
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	5.05	5.12	(0.07)	
b	3.63	13.00	(9.37)	
c	579,612.31	517,524.80	62,087.51	
d	75,776.29		75,776.29	
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)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2 137,854.36
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

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	112,950.00	13,311,809.74	0.0085
2011	426,146.00	11,843,505.05	0.0360
2010	58,250.00	1,744,459.55	0.0334
2009	41,059.34	765,964.57	0.0536
2008	52,579.77	922,585.77	0.0570
2	Total of line 1, column (d)		2 0.1885
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 .0377
4	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5		4 14,251,506.19
5	Multiply line 4 by line 3		5 537,281.78
6	Enter 1% of net investment income (1% of Part I, line 27b)		6 7,620.22
7	Add lines 5 and 6		7 544,902.00
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.		8 673,419.24

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)	}	1	7,620.22
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b			
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	
3 Add lines 1 and 2		3	7,620.22
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	7,620.22
6 Credits/Payments:			
a 2013 estimated tax payments and 2012 overpayment credited to 2013	6a		26,477.38
b Exempt foreign organizations—tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d		7	26,477.38
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached		8	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed		9	0.00
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid		10	18,857.16
11 Enter the amount of line 10 to be: Credited to 2014 estimated tax <input type="checkbox"/> 18,857.16 Refunded <input type="checkbox"/>		11	0.00

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)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ \$ <u>None</u> (2) On foundation managers. ▶ \$ <u>None</u>		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ <u>None</u>		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes.</i>		X
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? <i>If "Yes," attach the statement required by General Instruction T.</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ <u>Texas</u>		
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? <i>If "No," attach explanation.</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV.</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses.</i>		X

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

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) Yes No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

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

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? Yes No
If "Yes," attach the statement required by Regulations section 53.4945–5(d).

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** Yes No
If "Yes" to 6b, file Form 8870. X

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **7b** Yes No

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
PATRICIA L. CLEMENTS 1901 N. AKARD ST., DALLAS, TX 75201	PRESIDENT/TRUSTEE 1 HR/WEEK	0	0	0
FRANK MARTIN WOOD 1901 N. AKARD ST., DALLAS, TX 75201	SECRETARY/TRUSTEE .1 HR/WEEK	0	0	0
MARGARET GILL CLEMENTS NAPIER 1901 N. AKARD ST., DALLAS, TX 75201	VICE PRESIDENT/TRUSTEE .1 HR/WEEK	0	0	0
WILLIAM MEMS ROHDE, JR. 1901 N. AKARD ST., DALLAS, TX 75201	TREASURER/TRUSTEE .1 HR/WEEK	0	0	0

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

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
.....				NONE
Total number of other employees paid over \$50,000 <input type="checkbox"/>				NONE

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
David Jennings, Sr. Vice Pres. Wealth Management Morgan Stanley 8383 Preston Ctr. Dallas, TX 75225	Portfolio Management Consulting Fees	54,290.51
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	NONE
2	NONE
3	NONE
4	NONE

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	NONE
2	NONE
All other program-related investments. See instructions	
3	NONE
Total. Add lines 1 through 3 ▶	0.00

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	12,346,490.00
b	Average of monthly cash balances	1b	1,046,682.22
c	Fair market value of all other assets (see instructions)	1c	1,075,362.00
d	Total (add lines 1a, b, and c)	1d	14,468,534.22
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	14,468,534.22
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	217,028.03
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	14,251,506.19
6	Minimum investment return. Enter 5% of line 5	6	712,575.31

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	712,575.31
2a	Tax on investment income for 2013 from Part VI, line 5	2a	7,620.22
b	Income tax for 2013. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	7,620.22
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	704,955.09
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	704,955.09
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	704,955.09

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	673,419.24
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	673,419.24
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	7,620.22
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	665,799.02

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				704,955.09
2 Undistributed income, if any, as of the end of 2013:				
a Enter amount for 2012 only			652,003.21	
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				
d From 2011				
e From 2012				
f Total of lines 3a through e	0.00			
4 Qualifying distributions for 2013 from Part XII, line 4: ► \$ <u>673,419.24</u>				
a Applied to 2012, but not more than line 2a			652,003.21	
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				21,416.03
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).)				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0.00			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.00		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see instructions		0.00		
e Undistributed income for 2012. Subtract line 4a from line 2a. Taxable amount—see instructions			0.00	
f Undistributed income for 2013. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2014				683,539.06
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	0.00			
10 Analysis of line 9:				
a Excess from 2009				
b Excess from 2010				
c Excess from 2011				
d Excess from 2012				
e Excess from 2013				

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 2013, enter the date of the ruling **NOT APPLICABLE**

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

	Pnor 3 years				(e) Total
	(a) 2013	(b) 2012	(c) 2011	(d) 2010	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					0.00
b 85% of line 2a	0.00	0.00	0.00	0.00	0.00
c Qualifying distributions from Part XII, line 4 for each year listed					0.00
d Amounts included in line 2c not used directly for active conduct of exempt activities					0.00
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c	0.00	0.00	0.00	0.00	0.00
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter:					
(1) Value of all assets					0.00
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0.00
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					0.00
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)					0.00
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0.00
(3) Largest amount of support from an exempt organization					0.00
(4) Gross investment income					0.00

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).)

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

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

a The name, address, and telephone number or e-mail address 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 Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
Stewpot Alliance 1835 Young St. Dallas, TX 75201	Not Applicable	Public	General Operating	1,000.00
Alzheimer's Assn. 4144 N. Central Expressway Dallas, TX 75204	Not Applicable	Public	General Operating	1,000.00
American Legion Harbor Springs 101 E. 3rd St. Harbor Springs, MI 49740	Not Applicable	Public	General Operating	50,000.00
American Quarter Horse Assn. P.O. Box 32111 Amarillo, TX 79120	Not Applicable	Public	General Operating	5,000.00
Audubon Society 225 Varick St., 7th Floor New York, NY 10014	Not Applicable	Public	General Operating	1,000.00
Baxter Fire Department P.O. Box 2002 Athens, TX 75751	Not Applicable	Public	General Operating	1,000.00
Children's Mercy Hospital 2401 Gillham Road Kansas City, MO 64108	Not Applicable	Public	General Operating	112,500.00
Conservation Resource Alliance 10850 Traverse Hwy, Ste 1111 Traverse City, MI 49684	Not Applicable	Public	General Operating	65,000.00
From Supplemental Pages				405,000.00
Total				641,500.00
b Approved for future payment				
Total				0.00

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				
Crooked Tree Arts 461 E. Mitchell Petoskey, MI 49770	Not Applicable	Public	General Operating	5,000.00
Dallas Arboretum and Botanical Garden 8525 Garland Road Dallas, TX 75218	Not Applicable	Public	General Operating	10,000.00
Elf Louise Christmas Project P.O. Box 39295 San Antonio, TX 78218	Not Applicable	Public	General Operating	500.00
Family Centers 40 Arch Street Greenwich, CT 06836-7550	Not Applicable	Public	General Operating	7,500.00
Ft. Concho Foundation 630 South Oakes San Angelo, TX 76903	Not Applicable	Public	General Operating	75,000.00
Freinds of the Katy Trail 3523 McKinney Avenue Dallas, TX 75204	Not Applicable	Public	General Operating	10,000.00
Genesis Women's shelter 4411 Lemmon Avenue Dallas, TX 75219	Not Applicable	Public	General Operating	1,500.00
Green Chimneys 400 Doansburg Road, Box 719 Brewster NY 10509-0719	Not Applicable	Public	General Operating	10,000.00
Griggs Park 3600 McKinney Ave., Suite 210 Dallas, TX 75204	Not Applicable	Public	General Operating	50,000.00
Total			3a	169,500.00
b Approved for future payment				
Total				3b

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
Habitat for Humanity-Kansas City 1423 E. Linwood Blvd. Kansas City, MO 64109-1914	Not Applicable	Public	General Operating	30,000.00
Highland Park ISD Education Foundation 3316 Grassmere Dallas, TX 75205	Not Applicable	Public	General Operating	20,000.00
Kind's in Crisis On Salem Street Cos Cob, CT 06807	Not Applicable	Public	General Operating	4,500.00
Little Traverse conservancy 3624 Powell Road Harbor Springs, MI 49740-9469	Not Applicable	Public	General Operating	1,000.00
McLaren Northern Michigan 360 Connable Avenue Petoskey, MI 49770	Not Applicable	Public	General Operating	130,000.00
National Snaffle Bit Assn. 1391 St. Paul Ave. Gurnee, IL 60031	Not Applicable	Public	General Operating	10,000.00
Perot Museum 2201 N. Field St. Dallas, TX 75202	Not Applicable	Public	General Operating	5,000.00
Salesmanship Club 9705 Harry Hines Blvd. Dallas, TX 75220	Not Applicable	Public	General Operating	20,000.00
Scott & White Healthcare Foundation 2401 S. 31st St. Temple, TX 76508	Not Applicable	Public	General Operating	15,000.00
Total				235,500.00
b Approved for future payment				
Total				

Part x, Line 1
Tax Year 2013**SSB 609-10833-18 460/MORGAN STANLEY 435-108498-566**
AVERAGE FAIR MARKET VALUE OF SECURITIES

	BEGIN	END	AVERAGE
JANUARY	11,151,474	12,079,130	11,615,302
FEBRUARY	12,079,130	12,111,442	12,095,286
MARCH	12,111,442	12,130,340	12,120,891
APRIL	12,130,340	12,156,934	12,143,637
MAY	12,156,934	12,106,247	12,131,590
JUNE	12,106,247	12,239,375	12,241,958
JULY	12,239,375	12,377,669	12,194,764
AUGUST	12,377,669	12,150,152	12,450,258
SEPTEMBER	12,150,152	12,522,846	12,629,928
OCTOBER	12,522,846	13,109,704	12,680,368
NOVEMBER	13,109,704	12,837,890	12,973,797
DECEMBER	12,837,890	12,922,317	12,880,103
			<u>148,157,881</u>
AVERAGE FAIR MARKET VALUE OF SECURITIES			<u>12,346,490</u>

SSB 609-10833-18 460/MORGAN STANLEY 435-108498-566
AVERAGE FAIR MARKET VALUE OF CASH

	BEGIN	END	AVERAGE
JANUARY	905,124	947,822	926,473
FEBRUARY	947,822	1,005,615	976,719
MARCH	1,005,615	1,277,047	1,141,331
APRIL	1,277,047	1,304,117	1,290,582
MAY	1,304,117	1,111,776	1,207,947
JUNE	1,111,776	1,173,732	1,006,541
JULY	1,173,732	901,306	874,842
AUGUST	901,306	575,952	764,381
SEPTEMBER	575,952	627,455	619,707
OCTOBER	627,455	663,461	703,341
NOVEMBER	663,461	779,227	721,344
DECEMBER	779,227	804,045	791,636
			<u>11,024,843</u>
AVERAGE FAIR MARKET VALUE OF CASH			<u>918,737</u>

BANK OF AMERICA 0047 9754 6640
AVERAGE FAIR MARKET VALUE OF CASH

	BEGIN	END	AVERAGE
JANUARY	121,770	118992 87	120,381
FEBRUARY	118,993	115308 65	117,151
MARCH	115,309	118229 46	116,769
APRIL	118,229	121387 46	119,808
MAY	121,387	80537 29	100,962
JUNE	80,537	8362 02	191,916
JULY	8,362	303,294	111,219
AUGUST	303,294	214,076	203,256
SEPTEMBER	214,076	103,218	161,099
OCTOBER	103,218	108,121	107,780
NOVEMBER	108,121	112,342	110,231
DECEMBER	112,342	37,200	74,771
			<u>1,535,344</u>
AVERAGE FAIR MARKET VALUE OF CASH			<u>127,945</u>
			<u>1,046,682.22</u>

OTHER ASSETS

DENTON ROYALTY	350,323.85
DENTON FARM	83,038 15
ANB CORP COMMON	642,000 00
TOTAL	<u>1,075,362.00</u>

Account Detail

Consulting Group Advisor Basic Securities Account
435-108498-566

PAT & GILL CLEMENTS FOUNDATION
ATTN: PAT CLEMENTS

INTERESTED PARTY COPY

STOCKS

COMMON STOCKS

Morgan Stanley & Co LLC (Morgan Stanley) and Standard & Poor's equity research ratings may be shown for certain securities. All research ratings represent the "opinions" of the research provider and are not representations or guarantees of performance. Because the applicable research report contains more complete information regarding the analyst's opinions, analysis, and rating, you should read the entire research report and not infer its contents from the rating. For ease of comparison, Morgan Stanley and Standard & Poor's equity research ratings have been normalized to a 1 (Buy), 2 (Hold), and 3 (Sell). Please refer to the quarter month-end statement (or your first statement, if you have not yet received a statement at the quarter-end) for a summary guide describing Morgan Stanley and Standard & Poor's ratings. Morgan Stanley Smith Barney LLC does not take responsibility for, and does not guarantee the accuracy, completeness, or timeliness of research prepared for Standard & Poor's.

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
ALTRIA GROUP INC (MO)	10/6/11	19,400,000	\$26.760	\$519,144.00	\$744,766.00	\$225,622.00 LT	\$37,248.00	5.00
Share Price: \$38.390; Rating: Morgan Stanley: 2, S&P: 1; Next Dividend Payable 01/10/14								
AT&T INC (T)	10/6/11	18,300,000	28.239	516,773.70	643,428.00	126,654.30 LT	33,672.00	5.23
Share Price: \$35.160; Rating: Morgan Stanley: 2, S&P: 2; Next Dividend Payable 02/20/14								
CONCHO RES INC (CXO)	10/6/11	6,000,000	76.347	458,082.60	648,000.00	189,917.40 LT	—	—
Share Price: \$108.000; Rating: Morgan Stanley: 2								
CROSS TIMBERS ROY TR UNIT (CRT)	2/6/06	1,500,000	47.140	70,710.00	44,109.00	(26,601.00) LT	3,430.50	7.77
Share Price: \$29.406; Next Dividend Payable 01/15/14								
ENERPLUS CORP COM (ERF)	1/13/06	1,020,000	47.669	48,622.23	18,543.60	(30,078.63) LT	1,033.26	5.57
Share Price: \$18.180; Next Dividend Payable 01/20/14								
HALCON RESOURCES CORP (HK)	1/18/12	3,333,500	11.847	39,491.00	12,867.31	(26,623.69) LT	—	—
	1/24/12	3,333,500	10.499	35,000.00	12,867.31	(22,132.69) LT	—	—
	2/14/12	13,333,000	12.263	163,505.25	51,465.38	(112,039.87) LT	—	—
	3/5/12	10,000,000	10.660	106,598.00	38,600.00	(67,998.00) LT	—	—
	3/7/12	15,000,000	10.000	149,998.50	57,900.00	(92,098.50) LT	—	—
	4/19/12	25,000,000	9.197	229,930.00	96,500.00	(133,430.00) LT	—	—
	5/13/13	40,000,000	6.169	246,760.00	154,400.00	(92,360.00) ST	—	—
Total		110,000,000		971,282.75	424,600.00	(454,322.75) LT	—	—
Share Price: \$3.860; Rating: Morgan Stanley: 2								
KAYNE ANDERSON ENERGY DEV CO (KED)	10/6/11	25,700,000	20.242	520,214.26	718,829.00	198,614.74 LT	—	—
Purchases								
		25,700,000		520,214.26	718,829.00	198,614.74 LT	—	—
		493,482		9,766.00	13,802.69	4,036.69 LT	—	—
Total		26,193,482		529,980.26	732,631.69	202,651.43 LT	47,672.14	6.50
Share Price: \$27.970; Next Dividend Payable 01/20/14								
KKR & CO LP (KKR)	10/6/11	30,000,000	10.537	316,108.50	730,200.00	414,091.50 LT C	48,600.00	6.65
Share Price: \$24.340; Rating: Morgan Stanley: 1, S&P: 2; Next Dividend Payable 02/20/14								
LINN ENERGY LLC UTS REP LTD LI (LINE)	8/7/13	30,000,000	27.380	821,400.00	923,700.00	102,300.00 ST	86,970.00	9.41
Share Price: \$30.790; Next Dividend Payable 01/20/14								
OASIS PETROLEUM INC (OAS)	10/6/11	23,000,000	22.726	522,688.80	1,080,310.00	557,621.20 LT	—	—
Share Price: \$46.970; Rating: Morgan Stanley: 2								



CLIENT STATEMENT | For the Period December 1-31, 2013

Account Detail

Consulting Group Advisor Basic Securities Account
435-108498-566

PAT & GILL CLEMENTS FOUNDATION
ATTN: PAT CLEMENTS

INTERESTED PARTY COPY

STOCKS	Percentage of Assets %	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Estimated Annual Income	Yield %
	43.6%	\$4,774,792.84	\$5,990,288.29	\$1,205,555.45 LT	\$258,625.90	\$258,625.90	4.32%
				\$9,940.00 ST	\$0.00	\$0.00	

EXCHANGE-TRADED & CLOSED-END FUNDS

Consulting Group Investment Advisor Research (CG IAR) status codes (FL, AL or NL) may be shown for certain exchange-traded funds. Please refer to "CG IAR Statuses in Investment Advisory Programs" in the quarterly statement (or your first statement, if you have not yet received a statement at the quarter-end) for a description of these status codes. All status codes represent the opinions of CG IAR and are not representations or guarantees of performance.

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
BLACKROCK ENERGY AND RESOURCES (BGR)	10/6/11	22,600,000	\$22.858	\$516,584.18	\$549,179.99	\$32,595.81 LT R		
Purchases		22,600,000		516,584.18	549,179.99	32,595.81 LT		
Long Term Reinvestments		489,827		12,400.62	11,902.79	(497.83) LT R		
Total		23,089,827		528,984.80	561,082.79	32,097.98 LT	37,405.52	6.66
Share Price: \$24.300; Next Dividend Payable 03/2014								
CLEARBRIDGE ENERGY MLP FD INC (CEM)	10/6/11	26,300,000	18.406	484,085.69	715,886.00	231,800.31 LT R		
Purchases		26,300,000		484,085.69	715,886.00	231,800.31 LT		
Long Term Reinvestments		465,783		9,084.81	12,678.61	3,593.80 LT R		
Total		26,765,783		493,170.50	728,564.61	235,394.11 LT	42,825.25	5.87
Share Price: \$27.220; Next Dividend Payable 02/2014								
CLEARBRIDGE ENERGY MLP OPP FD (EMO)	10/6/11	31,200,000	15.665	488,735.52	723,215.99	234,480.47 LT R		
Purchases		31,200,000		488,735.52	723,215.99	234,480.47 LT		
Long Term Reinvestments		556,201		9,737.01	12,892.73	3,155.72 LT R		
Total		31,756,201		498,472.53	736,108.73	237,636.19 LT	43,823.56	5.95
Share Price: \$23.180; Next Dividend Payable 02/2014								
CUSHING MLP TOTAL RETURN FUND (SRV)	10/6/11	55,000,000	8.394	461,650.75	441,099.99	(20,550.76) LT R		
Purchases		55,000,000		461,650.75	441,099.99	(20,550.76) LT		
Long Term Reinvestments		1,480,264		11,585.64	11,871.71	286.07 LT R		
Total		56,480,264		473,236.39	452,971.71	(20,264.69) LT	50,832.24	11.22
Share Price: \$8.020; Next Dividend Payable 03/2014								
FIRST TRUST ENERGY INFRASTRU (FIF)	10/6/11	26,000,000	20.025	520,639.60	541,580.00	20,940.40 LT		
Purchases		26,000,000		520,639.60	541,580.00	20,940.40 LT		
Long Term Reinvestments		140,690		2,821.00	2,930.57	109.57 LT		
Total		26,140,690		523,460.60	544,510.57	21,049.97 LT	34,505.71	6.33
Share Price: \$20.830; Next Dividend Payable 01/2014								

CLIENT STATEMENT | For the Period December 1-31, 2013

Consulting Group Advisor Basic Securities Account
435-108498-566

Account Detail

INTERESTED PARTY COPY

EXCHANGE-TRADED & CLOSED-END FUNDS (CONTINUED)

Security Description	Trade Date	Quantity	Unit Cost	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
ISHARES IBOXX \$ H/Y COR BD ETF (HYG)	10/6/11	10,000.000	82.822	828,219.00	928,800.00	100,581.00 LT	56,660.00	6.10
Share Price: \$92.880; CG IAR Status. AL; Next Dividend Payable 01/02/14								
KAYNE ANDERSON MLP INVT CO (KYN)	10/6/11	19,400.000	26.431	512,759.14	773,090.00	260,330.86 LT R	47,336.00	6.12
Share Price: \$39.850; Next Dividend Payable 01/20/14								
NUVEEN MLP ENERGY FUND (JMF)	10/6/11	21,950.000	14.326	314,455.70	429,122.50	114,666.80 LT R		
Purchases								
		21,950.000		314,455.70	429,122.50	114,666.80 LT		
		411.087		6,546.50	8,036.75	1,490.25 LT R		
Long Term Reinvestments								
		22,361.087		321,002.20	437,159.25	116,157.05 LT	28,264.41	6.46
Share Price: \$19.550; Next Dividend Payable 02/20/14								
TORTOISE MLP FUND INC (NTG)	10/6/11	22,700.000	21.374	485,194.34	620,845.00	135,650.66 LT R	38,022.50	6.12
Share Price: \$27.350; Next Dividend Payable 02/20/14								
TORTOISE PWR & ENERGY INFRASTR (TPZ)	10/6/11	16,400.000	22.190	363,920.13	421,316.00	57,395.87 LT		
Purchases								
		16,400.000		363,920.13	421,316.00	57,395.87 LT		
		168.944		4,109.54	4,340.17	230.63 LT		
Long Term Reinvestments								
		16,568.944		368,029.67	425,656.17	57,626.50 LT	24,853.42	5.83
Share Price: \$25.690; Next Dividend Payable 01/20/14								
VANGUARD EUROPEAN MSCI ETF (VGK)	10/6/11	12,300.000	41.980	516,347.85	723,240.00	206,892.15 LT	20,036.70	2.77
Share Price: \$58.800; CG IAR Status. AL; Next Dividend Payable 03/20/14								

EXCHANGE-TRADED & CLOSED-END FUNDS

Percentage of Assets %	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Estimated Annual Income	Yield %
50.5%	\$5,548,877.02	\$6,932,028.83	\$1,383,151.78 LT	\$424,565.31	\$424,565.31	6.12%
				\$0.00	\$0.00	
100.0%	\$10,323,669.86	\$13,726,362.41	\$2,588,707.23 LT	\$683,264.70	\$683,264.70	4.98%
			\$9,940.00 ST	\$0.00	\$0.00	

TOTAL MARKET VALUE

\$13,726,362.41

TOTAL VALUE (includes accrued interest)
C - This tax lot received a return of capital. This is a return of some or all of your investment in the security. A return of capital reduces your basis in the security and is not taxed until your basis in the security is fully recovered.

R - The cost basis for this tax lot was adjusted due to a reclassification of income.
Unrealized Gain/(Loss) totals only reflect positions that have cost basis and/or market value information available. Cash, MMF, Deposits and positions stating 'Please Provide' are not included.

