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Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

or Section 4947(a)(1) Trust Treated as Private Foundation

▶ 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.

OMB No 1545-0052

2013

Open to Public Inspection

For calendar year 2013 or tax year beginning , and ending

Name of foundation
J.L. WILLIAMS FOUNDATION, INC.

Number and street (or P O box number if mail is not delivered to street address)
P.O. BOX 797464

Room/suite

City or town, state or province, country, and ZIP or foreign postal code
DALLAS TX 75379

A Employer identification number
75-2671320

B Telephone number (see instructions)
972-588-3636

C If exemption 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) ▶ $ 15,867,954

J Accounting method. ☒ Cash ☐ Accrual ☐ Other (specify)
(Part I, column (d) must be on cash basis)

Part I **Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue					
1	Contributions, gifts, grants, etc , received (attach schedule)				
2	Check ▶ ☒ if the foundation is **not** required to attach Sch B				
3	Interest on savings and temporary cash investments	129,551	129,551		
4	Dividends and interest from securities	78,752	78,752		
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	244,022			
b	Gross sales price for all assets on line 6a 946,806				
7	Capital gain net income (from Part IV, line 2)		244,022		
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) STMT 1	26,908	28,184		
12	**Total.** Add lines 1 through 11	479,233	480,509	0	
Operating and Administrative Expenses					
13	Compensation of officers, directors, trustees, etc	214,500	193,050		21,450
14	Other employee salaries and wages	25,008	25,008		
15	Pension plans, employee benefits	31,353	28,460		2,893
16a	Legal fees (attach schedule)				
b	Accounting fees (attach schedule) STMT 2	4,625	4,625		
c	Other professional fees (attach schedule)				
17	Interest				
18	Taxes (attach schedule) (see instructions) STMT 3	9,672	9,672		
19	Depreciation (attach schedule) and depletion	1,018	1,018		
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (att sch) STMT 4	31,264	31,264		
24	**Total operating and administrative expenses.** Add lines 13 through 23	317,440	293,097	0	24,343
25	Contributions, gifts, grants paid	309,500			309,500
26	**Total expenses and disbursements.** Add lines 24 and 25	626,940	293,097	0	333,843
27	Subtract line 26 from line 12				
a	**Excess of revenue over expenses and disbursements**	-147,707			
b	**Net investment income** (if negative, enter -0-)		187,412		
c	**Adjusted net income** (if negative, enter -0-)			0	

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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 (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1	Cash – non-interest-bearing	9,624,398	9,430,464	9,430,463
	2	Savings and temporary cash investments			
	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 (att schedule) ▶ SEE WRK 2,303,233			
		Less allowance for doubtful accounts ▶ 0	2,443,481	2,303,233	2,303,233
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges	1,930		
	10a	Investments – U S and state government obligations (attach schedule)			
	b	Investments – corporate stock (attach schedule) SEE STMT 5	1,990,913	2,136,071	3,422,051
	c	Investments – corporate bonds (attach schedule) SEE STMT 6	212,311		
	11	Investments – land, buildings, and equipment basis ▶ 214,790			
		Less accumulated depreciation (attach sch) ▶ STMT 7	214,790	214,790	250,860
	12	Investments – mortgage loans			
	13	Investments – other (attach schedule) SEE STATEMENT 8	43,947	296,694	458,342
	14	Land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach sch) ▶			
	15	Other assets (describe ▶ SEE STATEMENT 9)	2,103	3,005	3,005
	16	**Total assets** (to be completed by all filers – see the instructions Also, see page 1, item I)	14,533,873	14,384,257	15,867,954
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.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.			
	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	14,533,873	14,384,257	
	30	**Total net assets or fund balances** (see instructions)	14,533,873	14,384,257	
	31	**Total liabilities and net assets/fund balances** (see instructions)	14,533,873	14,384,257	

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	14,533,873
2	Enter amount from Part I, line 27a	2	-147,707
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 10	3	21
4	Add lines 1, 2, and 3	4	14,386,187
5	Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 11	5	1,930
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	14,384,257

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	FIRST DALLAS SECURITIES-S/T	P	VARIOUS	VARIOUS
b	FIST DALLAS CAPITAL GAIN DIST	P	VARIOUS	VARIOUS
c	UBS-S/T	P	VARIOUS	VARIOUS
d	CAPSTEAD MTG CORP	P	VARIOUS	06/13/13
e	FIRST DALLAS SECURITIES-L/T	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)
a	62,251		56,142	6,109
b	33			33
c	78			78
d	37,500		37,705	-205
e	846,944		608,937	238,007

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(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	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				6,109
b				33
c				78
d				-205
e				238,007

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 — 244,022

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 — 6,187

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	311,912	14,462,455	0.021567
2011	363,981	15,497,239	0.023487
2010	325,312	15,068,934	0.021588
2009	277,154	15,066,977	0.018395
2008	6,209,267	15,494,176	0.400748

2	**Total** of line 1, column (d)	2	0.485785
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	0.097157
4	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	15,426,335
5	Multiply line 4 by line 3	5	1,498,776
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1,874
7	Add lines 5 and 6	7	1,500,650
8	Enter qualifying distributions from Part XII, line 4	8	333,843

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 ▶ ☐ 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 ▶ ☐ and enter 1% of Part I, line 27b	1	3,748
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	3,748
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	3,748
6	Credits/Payments		
a	2013 estimated tax payments and 2012 overpayment credited to 2013 — 6a: 1,930		
b	Exempt foreign organizations – tax withheld at source — 6b:		
c	Tax paid with application for extension of time to file (Form 8868) — 6c: 3,000		
d	Backup withholding erroneously withheld — 6d:		
7	Total credits and payments Add lines 6a through 6d	7	4,930
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	1,182
11	Enter the amount of line 10 to be **Credited to 2014 estimated tax** ▶ 1,182 Refunded ▶	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?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1b		X
	If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ________ **(2)** On foundation managers. ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
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	2		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	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a	X	
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b	X	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T	5		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?	6	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	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ TX			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	8b	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	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

Part VII-A Statements Regarding Activities (continued)

		Line	Yes	No
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 ▶ NONE

14 The books are in care of ▶ JULIA UNDERWOOD Telephone no ▶ 972-588-3636
PO BOX 797464
Located at ▶ DALLAS TX ZIP+4 ▶ 75379

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

		Line	Yes	No
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?	16		X
	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.

			Line	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?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☒ Yes ☐ 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)?	☐ Yes ☒ 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)	☐ Yes ☒ 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)?		1b		X
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
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?		1c		X
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?	☐ Yes ☒ No			
	If "Yes," list the years ▶ 20 , 20 , 20 , 20				
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?	☐ Yes ☒ 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?		4a		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?		4b		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 (No)

If "Yes" to 6b, file Form 8870

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

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? 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 12				

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	3,864,590
b	Average of monthly cash balances		1b	8,982,073
c	Fair market value of all other assets (see instructions)		1c	2,814,591
d	**Total** (add lines 1a, b, and c)		1d	15,661,254
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	15,661,254
4	Cash deemed held for charitable activities Enter 1½% of line 3 (for greater amount, see instructions)		4	234,919
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	15,426,335
6	**Minimum investment return.** Enter 5% of line 5		6	771,317

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	771,317
2a	Tax on investment income for 2013 from Part VI, line 5	2a 3,748		
b	Income tax for 2013 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	3,748
3	Distributable amount before adjustments Subtract line 2c from line 1		3	767,569
4	Recoveries of amounts treated as qualifying distributions		4	
5	Add lines 3 and 4		5	767,569
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	767,569

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	333,843
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	333,843
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	333,843

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					767,569
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	2,702,980				
b From 2009					
c From 2010					
d From 2011					
e From 2012					
f Total of lines 3a through e		2,702,980			
4 Qualifying distributions for 2013 from Part XII, line 4 ▶ $ 333,843					
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					333,843
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))		433,726			433,726
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		2,269,254			
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)		2,269,254			
9 **Excess distributions carryover to 2014.** Subtract lines 7 and 8 from line 6a					
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 ▶

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

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

Part XV Supplementary Information (Complete this part only if the 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))

N/A

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

N/A

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

JULIA UNDERWOOD 972-588-3636
PO BOX 797464 DALLAS TX 75379

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

NO REQUIRED FORMS

c Any submission deadlines

NONE

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

NO RESTRICTIONS

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				
SEE STATEMENT 13				309,500
Total			▶ 3a	309,500
b Approved for future payment				
N/A				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

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	129,551	
4 Dividends and interest from securities			14	78,752	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property			16		
6 Net rental income or (loss) from personal property					
7 Other investment income			15	27,938	
8 Gain or (loss) from sales of assets other than inventory			18	244,022	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b OTHER INCOME-WT-FSR1 LLC			18	246	
c OTHER INCOME-WT-FSR1 LLC	531120	569			
d PHOENIX CAPITAL REALTY FUND V	900099	-143			
e WT-FSR1 LLC	531120	-1,702			
12 Subtotal Add columns (b), (d), and (e)		-1,276		480,509	0

13 **Total.** Add line 12, columns (b), (d), and (e) 13 479,233

(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)
N/A	

DAA

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

			Yes	No
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	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

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
N/A			

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

b If "Yes," complete the following schedule

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

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

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

Jonell W. Williams | 8/26/14 | ~~TRUSTEE~~ President

Signature of officer or trustee | Date | Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed
JERRY W. DICKSON	Jerry W. Dickson	08/04/14	

Firm's name ▶ BURDS REED & MERCER, P.C. PTIN P00008040

Firm's address ▶ 4131 N CENTRAL EXPRESSWAY STE 700 DALLAS, TX 75204 Firm's EIN ▶ 75-2357065

Phone no 214-219-2600

DAA

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
O&G ROYALTY INCOME	$ 25,235	$ 25,235	$
MESBAI TRUST ROYALTIES	2,703	2,703	
OTHER INCOME-WT-FSR1 LLC	246	246	
OTHER INCOME-WT-FSR1 LLC	569		
PHOENIX CAPITAL REALTY FUND V	-143		
WT-FSR1 LLC	-1,702		
TOTAL	$ 26,908	$ 28,184	$ 0

Statement 2 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
ACCOUNTING FEES	$ 4,625	$ 4,625	$	$
TOTAL	$ 4,625	$ 4,625	$ 0	$ 0

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
TAXES	$ 9,672	$ 9,672	$	$
TOTAL	$ 9,672	$ 9,672	$ 0	$ 0

Statement 4 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	$	$	$	$
EXPENSES				
BANK CHARGES	99	99		

Federal Statements

Statement 4 - Form 990-PF, Part I, Line 23 - Other Expenses (continued)

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
INSURANCE	$ 143	$ 143	$	$
MULLRANY EXP	14,797	14,797		
LICENSE AND PERMITS	205	205		
OFFICE SUPPLIES	628	628		
O&G ROYALTY DEDUCTIONS	1,607	1,607		
POSTAGE AND DELIVERY	345	345		
STORAGE FEES	1,247	1,247		
RENTAL LOSS-PHOENIX CAPITAL	8,412	8,412		
RENTAL LOSS-WT-FSR I LLC	734	734		
ROYALTY EXPENSES				
OTHER DEDUCTIONS-PHOENIX CAPI	3,047	3,047		
TOTAL	$ 31,264	$ 31,264	$ 0	$ 0

Statement 5 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
TIME WARNER INC	$ 21,886	$ 21,886	COST	$ 58,077
ARCHER DANIEL MIDLAND	7,331	7,331	COST	21,700
BRISTOL MYERS	26,731	26,731	COST	53,150
TEXAS INDUSTRIES (PFD)	55,465	55,465	COST	102,001
TEXAS INSTRUMENTS	304,800	304,800	COST	878,200
XCEL ENERGY	32,976	32,976	COST	55,880
ATMOS ENERGY CORPORATION	25,741	25,741	COST	45,420
DUKE ENERGY CORP	12,517	12,517	COST	22,980
JOHNSON & JOHNSON	54,001	54,001	COST	91,590
PROCTOR & GAMBLE CO	53,046	53,046	COST	81,410
TEXAS PACIFIC LAND TRUST	12,534	12,534	COST	99,990
CAPSTEAD MORTGAGE (PFD)	37,705		COST	
JOHN HANCOCK PFD INCOME FUND	84,981	84,981	COST	62,360
CANADIAN NATIONAL RY COMPANY	45,241	144,533	COST	228,080
XCEL ENERGY INC	19,743	19,743	COST	27,940
ENSCO INTL LTD	76,319	76,319	COST	85,770
LUBY'S INC	49,533	71,905	COST	77,200

Federal Statements

Statement 5 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
TRANSOCEAN INC	$ 159,536	$	COST	$
SPECTRA ENERGY CORP	9,024	9,024	COST	17,810
PROCTOR & GAMBLE	53,065	53,065	COST	65,128
SOUTHWEST AIRLINES	43,796	43,796	COST	75,360
AOL INC	1,199	1,199	COST	3,497
TIME WARNER CABLE	7,732	7,732	COST	28,320
BELO CORP	57,522		COST	
CINEMARK HOLDINGS INC	32,975		COST	
EXXON MOBIL CORP	3,498	3,498	COST	5,060
JOHNSON & JOHNSON	33,408	41,280	COST	54,954
KIMBERLY-CLARK CORP	75,499		COST	
MICROSOFT CORP	46,578		COST	
TEXAS INDUSTRIES INC	18,379		COST	
WAL-MART STORES INC	53,320	53,320	COST	78,690
AH BELO CORP AHC	9,748	40,171	COST	52,290
CROSS A T CO CL A COM	9,942		COST	
EOG RESOURCES INC	30,261		COST	
HALLIBURTON COMPANY	83,535	83,535	COST	101,500
HOME DEPOT INC	36,487		COST	
MESABI TRUST CTF BEN INT	31,077	40,647	COST	44,520
OCEAN RIG UDW INC	309	309	COST	404
SANDRIDGE ENERGY INC	14,856		COST	
TRINITY INDUSTRIES INC	66,028	74,248	COST	136,300
UNION PACIFIC CORP	90,887		COST	
BOEING CO	30,635	39,348	COST	68,245
KANSAS CITY SOUTHERN	13,691		COST	
LINN CO LLC	37,971	64,518	COST	61,620
MICHAEL KORS HOLDINGS LTD	13,609		COST	
TEX PAC LAND TR	5,796	122,049	COST	149,985
AMERICAN AIRLINES GROUP		52,519	COST	50,500
ATWOOD OCEANICS INC		54,862	COST	53,390
DELTA AIRLINES		43,137	COST	54,940
GENERAL ELECTRIC		47,345	COST	56,060
GEO GROUP INC		31,008	COST	32,220
HERSHEY COMPANY		88,566	COST	97,230
RYMAN HOSPITALITY PPTYS		102,401	COST	104,450
UNITED CONTINENTAL HOLDINGS		33,985	COST	37,830

Statement 5 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
TOTAL	$ 1,990,913	$ 2,136,071		$ 3,422,051

Statement 6 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
FORD MOTOR LAND SERVICES - 200	$ 212,311	$	COST	$
TOTAL	$ 212,311	$ 0		$ 0

Statement 7 - Form 990-PF, Part II, Line 11 - Land, Building, and Equipment Investments

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
BUILDINGS	$ 214,010	$ 214,010	$	$ 250,000
LAND	780	780		860
TOTAL	$ 214,790	$ 214,790	$ 0	$ 250,860

Statement 8 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
OIL & GAS ROYALTIES	$ 6,402	$ 5,762	COST	$ 66,761
WT-FSR 1 LLC	37,545	35,952	COST	125,000
PHOENIX CAPITAL REALTY FUND V LP		254,980	COST	266,581
TOTAL	$ 43,947	$ 296,694		$ 458,342

Statement 9 - Form 990-PF, Part II, Line 15 - Other Assets

Description	Beginning of Year	End of Year	Fair Market Value
RECEIVABLE - MISC	$ -902	$	$
RECEIVABLE - WT-FSR I LLC	3,005	3,005	3,005
TOTAL	$ 2,103	$ 3,005	$ 3,005

Statement 10 - Form 990-PF, Part III, Line 3 - Other Increases

Description	Amount
FUND BALANCE ADJ	$ 21
TOTAL	$ 21

Statement 11 - Form 990-PF, Part III, Line 5 - Other Decreases

Description	Amount
EXCISE TAX	$ 1,930
TOTAL	$ 1,930

Federal Statements

Statement 12 - Form 990-PF, Part VIII, Line 1 - List of Officers, Directors, Trustees, Etc.

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
R.J. PIPES 5931 MELETIO LANE DALLAS TX 75230	CHAIRMAN	20.00	100,000	0	0
JONELL H. WILLIAMS 3831 TURTLE CREEK 11B DALLAS TX 75219	PRESIDENT	10.00	40,000	0	0
JULIA UNDERWOOD P.O. BOX 797464 DALLAS TX 75379	SEC/TREAS	25.00	40,000	0	0
ANDREA CONNOLLY 311 RIDGEBRIAR DRIVE RICHARDSON TX 75080-1920	DIRECTOR	10.00	18,000	0	0
RICHARD WILLIAMS 3831 TURTLE CREEK 11B DALLAS TX 75219	DIRECTOR	10.00	16,500	0	0

Federal Statements

Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description
NO REQUIRED FORMS

Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description
NONE

Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description
NO RESTRICTIONS

Statement 13 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Name / Address	Relationship	Address / Status	Purpose	Amount
CIRCLE TEN COUNCIL OF BOY SCOUTS DALLAS TX 75235	N/A	8605 HARRY HINES BLVD PUBLIC	SCOUTING PROGRAM - CENTENNIAL CAMPAI	5,000
DALLAS MORNING NEWS CHARITIES DALLAS TX 75202	N/A	508 YOUNG STREET PUBLIC	SUPPORT VARIOUS CHARITIES	125,000
NORTH TEXAS FOOD BANK DALLAS TX 75236	N/A	4500 S. COCKRELL HILL ROA PUBLIC	FEEDING THE HUNGRY	125,000
AFIL DALLAS TX 75220	N/A	2826 STOREY LANE PUBLIC	HELP W/ DEVELOPMENT DISABILITIES	2,500
NEW BEGINNING CENTER GARLAND TX 75235	N/A	218 N. 10TH PUBLIC	SERVE FAMILIES OF DOMESTIC VIOLENCE	2,500
BRYAN'S HOUSE DALLAS TX 75235	N/A	P.O. BOX 35868 PUBLIC	MEDICALLY MANAGED CILD CARE	5,000
CAPTAIN HOPE'S KIDS DALLAS TX 75354	N/A	P.O. BOX 540548 PUBLIC	MEET NEEDS OF HOMELESS CHILDREN	5,000
LIFT-LITERACY INSTRUCTIONS DALLAS TX 75226	N/A	1610 S. MALCOLM X BLVD. PUBLIC	TEACH ADULTS TO READ	1,000
PROMISE HOUSE DALLAS TX 75208	N/A	224 E. PAGE AVENUE PUBLIC	EMERGENCY YOUTH SHELTER	2,500
COMMUNITY PARTNERS DALLAS TX 75204	N/A	1215 SKILES STREET PUBLIC	SERVING ABUSE CHILDREN	5,000
CHASE'S PLACE RICHARDSON TX 75080	N/A	320 CUSTER ROAD PUBLIC	SCHOLARSHIP FOR SPECIAL NEEDS KIDS	2,500
RANCH HAND RESCUE ARGYLE TX 76226	N/A	8827 HIGHWAY 337 SOUTH PUBLIC	ANIMAL RESCUE	2,500
CHILD & FAMILY GUIDANCE DALLAS TX 75235	N/A	8915 HARRY HINES BLVD PUBLIC	HEALTH SERVICES FOR NEEDY	2,500
ALLEY'S HOUSE DALLAS TX 75246	N/A	411 S. JUNIUS STREET PUBLIC	HELPING TEENS GET THEIR GED	2,500
HEALING HAND MINISTRIES DALLAS TX 75374	N/A	P.O. BOX 741524 PUBLIC	PROVIDE MEDICAL & DENTAL SERVICES	5,000
FAMILY GATEWAY DALLAS TX 75204	N/A	3000 SAN JACINTO STREET PUBLIC	HELP HOMLESS CHILDREN	5,000
BRIGHTER TOMORROW'S GRAND PRAIRIE TX 75053	N/A	P.O. BOX 532151 PUBLIC	EMERGENCY SHELTER IN GRAND PRAIRIE	2,500

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Statement 13 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name / Address	Relationship	Address / Status	Purpose	Amount
AUSTIN STREET CENTER DALLAS TX 75371	N/A	P.O. BOX 710729 PUBLIC	TO FEED THE HOMELESS	5,000
AVANCE-DALLAS DALLAS TX 75212	N/A	2060 SINGLETON SUITE 103 PUBLIC	HELP AT RISK CHILDREN	1,000
BATTERED WOMEN'S SHELTER NORTH RICHLAND HILLS TX 7	N/A	4166 WILLMAN STREET PUBLIC	SHELTER FOR BATTERED WOMEN & KIDS	2,500
TOTAL				309,500