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: MCDANIEL CHARITABLE FOUNDATION

A Employer identification number: 76-0538313

Number and street (or P O box number if mail is not delivered to street address): P.O. BOX 2968 | Room/suite:

B Telephone number: (409) 942-2940

City or town, state or province, country, and ZIP or foreign postal code: TEXAS CITY, TX 77592

C If exemption application is pending, check here ▶ ☐

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

D 1. Foreign organizations, check here ▶ ☐

2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶$ 6,901,013.

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

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

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))

		(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	0.		N/A	
	2 Check ▶ ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	45.	45.		STATEMENT 1
	4 Dividends and interest from securities	196,462.	196,462.		STATEMENT 2
	5a Gross rents	630.	630.		STATEMENT 3
	b Net rental income or (loss) 630.				
	6a Net gain or (loss) from sale of assets not on line 10	-482,056.			
	b Gross sales price for all assets on line 6a 5,401,829.				
	7 Capital gain net income (from Part IV, line 2)		0.		
	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)				
	11 Other income	26,350.	26,350.		STATEMENT 4
	12 **Total.** Add lines 1 through 11	-258,569.	223,487.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	103,000.	25,750.		77,250.
	14 Other employee salaries and wages	135,957.	0.		135,957.
	15 Pension plans, employee benefits	70,246.	11,225.		62,089.
	16a Legal fees STMT 5	76.	76.		0.
	b Accounting fees STMT 6	15,260.	7,630.		7,630.
	c Other professional fees				
	17 Interest	17.	17.		0.
	18 Taxes STMT 7	5,677.	0.		0.
	19 Depreciation and depletion	46,240.	0.		
	20 Occupancy	20,433.	5,108.		15,325.
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 8	55,086.	16,102.		38,986.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	451,992.	65,908.		337,237.
	25 Contributions, gifts, grants paid	223,005.			223,005.
	26 **Total expenses and disbursements.** Add lines 24 and 25	674,997.	65,908.		560,242.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	-933,566.			
	b **Net investment income** (if negative, enter -0-)		157,579.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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Part II **Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	139,877.	41,704.	41,704.
	2 Savings and temporary cash investments	3,790,350.	2,109,178.	2,109,177.
	3 Accounts receivable ▶ 52,406.			
	Less allowance for doubtful accounts ▶	52,585.	52,406.	52,406.
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶ 2,638,389.			
	Less allowance for doubtful accounts ▶ 0.	0.	2,638,389.	2,638,389.
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	11,349.	11,828.	11,828.
	10a Investments - U S and state government obligations STMT 12	413,124.	592,615.	592,606.
	b Investments - corporate stock STMT 13	447,784.	405,213.	405,213.
	c Investments - corporate bonds STMT 14	1,474,007.	747,725.	747,725.
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶	190,860.		
	12 Investments - mortgage loans			
	13 Investments - other STMT 15	81,312.	296,670.	296,670.
	14 Land, buildings, and equipment basis ▶ 7,143.			
	Less accumulated depreciation STMT 11 ▶ 1,848.	949,334.	5,295.	5,295.
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers - see the instructions Also, see page 1, item 1)	7,550,582.	6,901,023.	6,901,013.
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			
	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** ▶ [X] **and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted	7,550,582.	6,901,023.	
	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			
	30 **Total net assets or fund balances**	7,550,582.	6,901,023.	
	31 **Total liabilities and net assets/fund balances**	7,550,582.	6,901,023.	

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	7,550,582.
2	Enter amount from Part I, line 27a	2	-933,566.
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 9	3	288,007.
4	Add lines 1, 2, and 3	4	6,905,023.
5	Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 10	5	4,000.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	6,901,023.

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			
b SEE ATTACHED STATEMENT			
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	5,401,829.	297,272.	6,181,157.	-482,056.

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				
b				
c				
d				
e				-482,056.

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 — -482,056.

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)
If (loss), enter -0- in Part I, line 8 — 3 — N/A

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	1,299,952.	8,198,419.	.158561
2011	932,150.	4,022,613.	.231727
2010	2,360,367.	4,214,540.	.560053
2009	1,366,613.	5,262,313.	.259698
2008	1,395,799.	7,546,352.	.184963

2 **Total** of line 1, column (d)	2	1.395002
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	.279000
4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	7,917,727.
5 Multiply line 4 by line 3	5	2,209,046.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,576.
7 Add lines 5 and 6	7	2,210,622.
8 Enter qualifying distributions from Part XII, line 4	8	560,242.

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	3,152.
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	3,152.
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	3,152.
6 Credits/Payments			
a 2013 estimated tax payments and 2012 overpayment credited to 2013	6a 5,680.		
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	5,680.
8 Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached		8	26.
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	2,502.
11 Enter the amount of line 10 to be **Credited to 2014 estimated tax** ▶	2,502. Refunded ▶	11	0.

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 ▶ $ 0. (2) On foundation managers ▶ $ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ 0.			
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? N/A	4b		
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

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

			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 ▶ HTTP://MCDANIELCHARITABLEFOUNDATION.ORG/

14 The books are in care of ▶ MARK A. LYONS Telephone no ▶ (409)942-2940

Located at ▶ PO BOX 2968, TEXAS CITY, TX ZIP+4 ▶ 77592

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 N/A

			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.

				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 ▶ ______, ______, ______, ______				
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 ▶ ______, ______, ______, ______				
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)? ☐ 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** X

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.

(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 16		103,000.	26,130.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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
JULIE BARNETT - 3219 RIPPLING FALLS LANE, DICKINSON, TX 77539	SCHOLARSHIP COORDINATOR 40.00	45,359.	7,271.	0.
BRETT FALTERMAN 2012 MISSION DRIVE, KEMAH, TX 77565	RESEARCH PROGRAM DIRECTOR 40.00	38,198.	5,819.	0.
STEPHEN VASEK - 602 OYSTERCREEK DRIVE, RICHWOOD, TX 77531	OPERATIONS ASSISTANT 40.00	27,400.	6,980.	0.

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. 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 ▶ 0

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 SEE ATTACHED STATEMENT	162,524.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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 ▶	0.

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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	2,403,060.
b	Average of monthly cash balances	1b	2,853,773.
c	Fair market value of all other assets	1c	2,781,469.
d	**Total** (add lines 1a, b, and c)	1d	8,038,302.
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	8,038,302.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	120,575.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	7,917,727.
6	**Minimum investment return.** Enter 5% of line 5	6	395,886.

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	395,886.
2a	Tax on investment income for 2013 from Part VI, line 5 2a 3,152.		
b	Income tax for 2013 (This does not include the tax from Part VI) 2b		
c	Add lines 2a and 2b	2c	3,152.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	392,734.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	392,734.
6	Deduction from distributable amount (see instructions)	6	0.
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	392,734.

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	560,242.
b	Program-related investments - total from Part IX-B	1b	0.
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	560,242.
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	5	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	560,242.

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				392,734.
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only			0.	
b Total for prior years ___ , ___ , ___		0.		
3 Excess distributions carryover, if any, to 2013				
a From 2008 1,020,749.				
b From 2009 1,103,651.				
c From 2010 2,149,640.				
d From 2011 731,291.				
e From 2012 895,640.				
f Total of lines 3a through e	5,900,971.			
4 Qualifying distributions for 2013 from Part XII, line 4 ▶ $ 560,242.				
a Applied to 2012, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2013 distributable amount				392,734.
e Remaining amount distributed out of corpus	167,508.			
5 Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	6,068,479.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
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		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2012 Subtract line 4a from line 2a Taxable amount - see instr			0.	
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)	0.			
8 Excess distributions carryover from 2008 not applied on line 5 or line 7	1,020,749.			
9 **Excess distributions carryover to 2014.** Subtract lines 7 and 8 from line 6a	5,047,730.			
10 Analysis of line 9				
a Excess from 2009 1,103,651.				
b Excess from 2010 2,149,640.				
c Excess from 2011 731,291.				
d Excess from 2012 895,640.				
e Excess from 2013 167,508.				

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

1 a 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			
	(a) 2013	(b) 2012	(c) 2011	(d) 2010	(e) Total
2 a 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))

NONE

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

NONE

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

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

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

SEE STATEMENT 17

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*				
SEE ATTACHED STATEMENT	NONE			223,005.
Total			▶ 3a	223,005.
b *Approved for future payment*				
NONE				
Total			▶ 3b	0.

323611
10-10-13

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
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	45.	
4 Dividends and interest from securities			14	196,462.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property			16	630.	
6 Net rental income or (loss) from personal property					
7 Other investment income			15	26,350.	
8 Gain or (loss) from sales of assets other than inventory			18	-482,056.	
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.		-258,569.	0.

13 **Total.** Add line 12, columns (b), (d), and (e) 13 -258,569.

(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)

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

[signature] 11-12-14 PRESIDENT

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
HARRY D. MAXWELL, JR.	[signature]	11/10/14		P00627267
Firm's name ▶ HEAD,MAXWELL & MCKENNA, P.C.			Firm's EIN ▶ 76-0354302	
Firm's address ▶ 2200 MARKET STREET, SUITE 401 GALVESTON, TX 77550			Phone no (409) 763-6479	

323622
10-10-13

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	1984 46' MERRITT SPORTFISH BOAT & EQUIPMENT	P	06/01/10	10/04/13
b	558000 DEUTSCHE BK AG LKD T O DB LIQUID ALPHA US	P	11/04/08	08/03/13
c	842 HIGHWAY 3, LAMARQUE, TX	D	08/27/10	01/01/13
d	836 HIGHWAY 3, LAMARQUE, TX	D	08/27/10	02/25/13
e	PTP-S/T CAP GAINS PASSED THRU	P		
f	PTP-SEC. 1256 STRADDLES	P		
g	PTP-SEC. 1256 STRADDLES	P		
h	SILVER BAY REALTY TRUST-CASH IN LIEU	P		04/26/13
i	U.S. TREASURY BONDS	P	VARIOUS	VARIOUS
j	JPMORGAN CHASE, 2.750%	P	10/23/12	04/16/13
k				
l				
m				
n				
o				

	(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	430,000.	297,272.	1,238,071.	-510,799.
b	483,226.		499,805.	-16,579.
c	125,000.		91,020.	33,980.
d	95,800.		106,188.	-10,388.
e	12.			12.
f	-162.			-162.
g	-244.			-244.
h	15.			15.
i	3,765,707.		3,743,448.	22,259.
j	502,475.		502,625.	-150.
k				
l				
m				
n				
o				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a				-510,799.
b				-16,579.
c				33,980.
d				-10,388.
e				12.
f				-162.
g				-244.
h				15.
i				22,259.
j				-150.
k				
l				
m				
n				
o				

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	-482,056.
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) If (loss), enter "-0-" in Part I, line 8	3	N/A

323591
05-01-13

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
DBAB CASH RESERVE FUND	29.	29.	
DBAB CASH RESERVE FUND	5.	5.	
MAINLAND BANK SAVINGS ACCOUNT	10.	10.	
TREASURY CASH TRUST	1.	1.	
TOTAL TO PART I, LINE 3	45.	45.	

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
DORCHESTER MINERALS LP PTP	15.	0.	15.	15.	
FHLM, 3%	159,676.	0.	159,676.	159,676.	
JP MORGAN CHASE NOTE	3,438.	0.	3,438.	3,438.	
NOTE RECEIVABLE-JOSE FALCON	5,760.	0.	5,760.	5,760.	
PROSHARES ULTRA DJ-UBS NATURAL GAS PTP	49.	0.	49.	49.	
SAN JUAN BASIN ROYALTY TRUST	1.	0.	1.	1.	
SILVER BAY REALTY TRUST	7.	0.	7.	7.	
SYNOVUS FINANCIAL CORP	12,813.	0.	12,813.	12,813.	
TWO HARBORS INVESTMENT CORP	12,040.	0.	12,040.	12,040.	
U.S. TREASURY NOTES	2,663.	0.	2,663.	2,663.	
TO PART I, LINE 4	196,462.	0.	196,462.	196,462.	

FORM 990-PF RENTAL INCOME STATEMENT 3

KIND AND LOCATION OF PROPERTY	ACTIVITY NUMBER	GROSS RENTAL INCOME
INCOME PASSED THRU PSHIP	1	630.
TOTAL TO FORM 990-PF, PART I, LINE 5A		630.

FORM 990-PF OTHER INCOME STATEMENT 4

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
DORCHESTER MINERALS LP PTP	8,225.	8,225.	
SAN JUAN BASIN ROYALTY TRUST	18,125.	18,125.	
TOTAL TO FORM 990-PF, PART I, LINE 11	26,350.	26,350.	

FORM 990-PF LEGAL FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	76.	76.		0.
TO FM 990-PF, PG 1, LN 16A	76.	76.		0.

FORM 990-PF ACCOUNTING FEES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	15,260.	7,630.		7,630.
TO FORM 990-PF, PG 1, LN 16B	15,260.	7,630.		7,630.

FORM 990-PF TAXES STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
2012 FORM 990-PF EXCISE TAX	5,671.	0.		0.
PENALTY ON 2012 FORM 990-PF	6.	0.		0.
TO FORM 990-PF, PG 1, LN 18	5,677.	0.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 8

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT EXPENSES	13,085.	13,085.		0.
BOAT EXPENSES	33,977.	0.		33,977.
INVESTMENT PROPERTY EXPENSES	1,478.	1,478.		0.
INSURANCE	4,717.	1,179.		3,538.
WEBSITE	310.	0.		310.
OFFICE SUPPLIES	926.	232.		695.
POSTAGE & SHIPPING	511.	128.		384.
CONFERENCE CALL FEE	36.	0.		36.
BANK CHARGES	46.	0.		46.
TO FORM 990-PF, PG 1, LN 23	55,086.	16,102.		38,986.

FORM 990-PF OTHER INCREASES IN NET ASSETS OR FUND BALANCES STATEMENT 9

DESCRIPTION	AMOUNT
CHANGE IN UNREALIZED LOSS IN VALUE OF INVESTMENTS	277,909.
ADJUSTMENT TO BEGINNING BALANCE OF SAVINGS ACCOUNTS	10,098.
TOTAL TO FORM 990-PF, PART III, LINE 3	288,007.

FORM 990-PF OTHER DECREASES IN NET ASSETS OR FUND BALANCES STATEMENT 10

DESCRIPTION	AMOUNT
ADJUSTMENT TO PRIOR YEAR SCHOLARSHIPS RETURNED	4,000.
TOTAL TO FORM 990-PF, PART III, LINE 5	4,000.

FORM 990-PF DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 11

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE	FAIR MARKET VALUE
EXECUTIVE DOUBLE PEDESTAL DESK	1,039.	272.	767.	767.
EXECUTIVE DOUBLE PEDESTAL DESK	1,038.	272.	766.	766.
STORAGE CREDENZA	988.	259.	729.	729.
STORAGE CREDENZA	988.	259.	729.	729.
CONFERENCE TABLE	877.	229.	648.	648.
HIGH BACK EXECUTIVE BLACK CHAIR	312.	82.	230.	230.
HIGH BACK EXECUTIVE BLACK CHAIR	312.	82.	230.	230.
(8) BLUE FABRIC CAPTAINS CHAIRS	961.	251.	710.	710.
USED 5-DRAWER LATERAL FILE CABINETS	314.	71.	243.	243.
USED 5-DRAWER LATERAL FILE CABINETS	314.	71.	243.	243.
TO 990-PF, PART II, LN 14	7,143.	1,848.	5,295.	5,295.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 12

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
DEUTSCHE BANK - U.S. TREASURY NOTES	X		63,927.	63,927.
STERNE AGEE - U.S. GOVT OBLIG	X		528,688.	528,679.
TOTAL U.S. GOVERNMENT OBLIGATIONS			592,615.	592,606.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			592,615.	592,606.

FORM 990-PF CORPORATE STOCK STATEMENT 13

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
STERNE AGEE - COMMON STOCKS	405,213.	405,213.
TOTAL TO FORM 990-PF, PART II, LINE 10B	405,213.	405,213.

FORM 990-PF CORPORATE BONDS STATEMENT 14

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
DEUTSCHE BANK - CORPORATE BONDS	489,600.	489,600.
STERNE AGEE - CORPORATE BONDS	258,125.	258,125.
TOTAL TO FORM 990-PF, PART II, LINE 10C	747,725.	747,725.

FORM 990-PF OTHER INVESTMENTS STATEMENT 15

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
STERNE AGEE - MASTER LTD PSHIPS	FMV	206,048.	206,048.
FULLER DMS OFFICE LTD	FMV	90,622.	90,622.
TOTAL TO FORM 990-PF, PART II, LINE 13		296,670.	296,670.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 16

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
MARK A LYONS 2831 PALMER HIGHWAY, 2ND FLOOR TEXAS CITY, TX 77590	PRESIDENT 25.00	37,000.	8,702.	0.
MICHELLE LYONS-SPIER 2831 PALMER HIGHWAY, 2ND FLOOR TEXAS CITY, TX 77590	SECRETARY 20.00	12,000.	4,385.	0.
MELISSA LYONS-GARDNER 2831 PALMER HIGHWAY, 2ND FLOOR TEXAS CITY, TX 77590	TREASURER 20.00	12,000.	4,385.	0.
STEWART CAMPBELL 2831 PALMER HIGHWAY, 2ND FLOOR TEXAS CITY, TX 77590	DIRECTOR 1.00	12,000.	4,329.	0.
RANDALL HARRIS 2831 PALMER HIGHWAY, 2ND FLOOR TEXAS CITY, TX 77590	DIRECTOR 4.00	12,000.	4,329.	0.
ROBERT HARRIS 2831 PALMER HIGHWAY, 2ND FLOOR TEXAS CITY, TX 77590	DIRECTOR 1.00	18,000.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		103,000.	26,130.	0.

FORM 990-PF GRANT APPLICATION SUBMISSION INFORMATION PART XV, LINES 2A THROUGH 2D STATEMENT 17

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

THE MCDANIEL CHARITABLE FOUNDATION
P O BOX 2968
TEXAS CITY, TX 77592-2968

TELEPHONE NUMBER	NAME OF GRANT PROGRAM
(409) 942-2940	GALVESTON COUNTY SCHOLARSHIP PROGRAM

FORM AND CONTENT OF APPLICATIONS

SEE ATTACHED APPLICATION

ANY SUBMISSION DEADLINES

JUNE 1ST

RESTRICTIONS AND LIMITATIONS ON AWARDS

BASED ON NEED & MERIT; MUST BE GALVESTON RESIDENT & ATTEND A TEXAS SCHOOL. ONLY RENEWAL APPLICATIONS ACCEPTED; THE FOUNDATION IS NOT ACCEPTING NEW SCHOLARSHIP APPLICATIONS FOR THIS PROGRAM.

THE MCDANIEL CHARITABLE FOUNDATION
GALVESTON COUNTY SCHOLARSHIP PROGRAM
P.O. Box 2968
Texas City, TX 77592-2968
Office: 409-942-2940 Fax: 409-944-0120
www.mcdanielcharitablefoundation.org

RENEWAL SCHOLARSHIP APPLICATION

This Application and all required documentation must be received by the Foundation at the above address **postmarked no later than June 1** prior to the school year made the subject of the Application Please read the Policies and Procedures for the Scholarship Program before completing this Application (Type or print in ink)

PART I – APPLICANT DATA

Full Name of Applicant: ______________________________
(Last, First, Middle)
Permanent Address (street, city, zip): ______________________________
____
Years Lived There ________
Social Security Number. ______________
Telephone Number: (   ) __________
Cell Phone Number. (   ) __________
Email Address ______________
Date of Birth ______________
Marital Status: ____________
Spouse's Name ______________________
Names and Ages of Dependents ______________________________
____
Local Address while Attending High School: ______________________
Applicant's Place and Type of Employment while Attending High School: __________
____
Address while Attending College: ______________________________
Applicant's Place and Type of Employment while Attending College:
____
Applicant's Anticipated Monthly Gross Income from All Sources (including other scholarships) While Attending College: $____________
If married, Applicant's Total Monthly Gross Income: $________ (attach a copy of your most recently filed IRS Form 1040, exclusive of attachments).

Please list all scholarships applied for:

Name of Scholarship	Renewable (Yes/No)	Received Amount	Pending Amount

PART II – APPLICANT'S PARENT/LEGAL GUARDIAN DATA

Full Name of First Parent or Legal Guardian: ____________________________________
(Last, First, Middle)
Permanent Address: ____
Telephone Number: (___) ______________
Cell Phone Number: (___) ______________
Email Address: ______________________
Parent or Guardian's Place and Type of Employment: ____________________________

Parent or Guardian's Total Monthly Gross Income: $____________ (attach a copy of your most recently filed IRS Form 1040, exclusive of attachments)
Does this Parent or Guardian provide financial support to Applicant? __________
Names and Ages of Parent or Guardian's Children or Other Dependents: ________________
____
____

Education: Some High School☐ High School Grad☐ Some College☐ College Grad☐

Full Name of Second Parent or Legal Guardian: ____________________________________
(Last, First, Middle)
Permanent Address ____
Telephone Number (___) ______________
Cell Phone Number: (___) ______________
Email Address: ______________________
Parent or Guardian's Place and Type of Employment: ____________________________

Parent or Guardian's Total Monthly Gross Income: $____________ (attach a copy of your most recently filed IRS Form 1040, exclusive of attachments)
Does this Parent or Guardian provide financial support to Applicant? __________
Names and Ages of Parent or Guardian's Children or Other Dependents: ________________
____
____

Education: Some High School☐ High School Grad☐ Some College☐ College Grad☐

PART III – APPLICANT'S SCHOOL DATA

College Currently Attending: ____________________________________
College Planning to Attend Pending This Scholarship: ____________________
Expected College Graduation Date: __________________
College Major: ____________________
List of College Activities: ____
List of Volunteer Activities While in College:
____
____

PART IV – ADDITIONAL INFORMATION AND CHECKLIST

Please attach an essay describing how the scholarship funds have benefited you, together with any special circumstances you would like the committee to consider.

PART V – CERTIFICATION

After reading and understanding the Policies and Procedures by which this scholarship is governed, we certify that all information given you for the purpose of obtaining this scholarship is true and complete to the best of our knowledge We agree to provide verification of proper expenditure of any award as provided in the Policies and Procedures. We understand that you will retain this application whether or not it is approved.

____
Signature of Applicant

Date:____________________

____
Signature of First Parent/Legal Guardian

Date:____________________

____
Signature of Second Parent/Legal Guardian

Date.____________________

CHECKLIST:

☐ Application (complete with signatures and dates)

☐ IRS Form 1040 (W2's not accepted)

☐ Essay

☐ Current *official* or *certified* transcripts including final grades

2013 DEPRECIATION AND AMORTIZATION REPORT

FORM 990-PF PAGE 1 990-PF

Asset No	Description	Date Acquired	Method	Life	Conv	Line No	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	* Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
	FURNITURE & FIXTURES														
8	EXECUTIVE DOUBLE PEDESTAL DESK	03/14/12	SL	7.00		16	1,039.				1,039.	124.		148.	272.
9	EXECUTIVE DOUBLE PEDESTAL DESK	03/14/12	SL	7.00		16	1,038.				1,038.	124.		148.	272.
10	STORAGE CREDENZA	03/14/12	SL	7.00		16	988.				988.	118.		141.	259.
11	STORAGE CREDENZA	03/14/12	SL	7.00		16	988.				988.	118.		141.	259.
12	CONFERENCE TABLE	03/14/12	SL	7.00		16	877.				877.	104.		125.	229.
13	HIGH BACK EXECUTIVE BLACK CHAIR	03/14/12	SL	7.00		16	312.				312.	37.		45.	82.
14	HIGH BACK EXECUTIVE BLACK CHAIR	03/14/12	SL	7.00		16	312.				312.	37.		45.	82.
15	(8) BLUE FABRIC CAPTAINS CHAIRS	03/14/12	SL	7.00		16	961.				961.	114.		137.	251.
16	USED 5-DRAWER LATERAL FILE CABINETS	05/24/12	SL	7.00		16	314.				314.	26.		45.	71.
17	USED 5-DRAWER LATERAL FILE CABINETS	05/24/12	SL	7.00		16	314.				314.	26.		45.	71.
	* 990-PF PG 1 TOTAL FURNITURE & FIXTURES						7,143.				7,143.	828.		1,020.	1,848.
	MACHINERY & EQUIPMENT														
1	(D)1984 46' MERRITT SPORTFISH BOAT	01/02/08	SL	30.00		16	800,000.				800,000.	133,335.		20,000.	
2	(D)BOAT IMPROVEMENTS	02/01/08	SL	30.00		16	184,082.				184,082.	30,169.		4,602.	
3	(D)BOAT EQUIPMENT	04/14/09	SL	10.00		16	28,957.				28,957.	10,860.		2,172.	
4	(D)BOAT EQUIPMENT	10/20/09	SL	10.00		16	6,251.				6,251.	1,979.		469.	
5	(D)BOAT EQUIPMENT	07/13/09	SL	10.00		16	26,650.				26,650.	9,328.		1,999.	

(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

2013 DEPRECIATION AND AMORTIZATION REPORT

FORM 990-PF PAGE 1 990-PF

Asset No	Description	Date Acquired	Method	Life	Conv	Line No	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	* Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
6	(D)BOAT EQUIPMENT	10/20/09	SL	7.00		16	136,121.				136,121.	61,579.		14,584.	
7	(D)BOAT EQUIPMENT	06/01/10	SL	7.00		16	13,010.				13,010.	4,802.		1,394.	
	* 990-PF PG 1 TOTAL MACHINERY & EQUIPMENT						1,195,071.				1,195,071.	252,052.		45,220.	0.
	* GRAND TOTAL 990-PF PG 1 DEPR						1,202,214.				1,202,214.	252,880.		46,240.	1,848.

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05-01-13

(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

MCDANIEL CHARITABLE FOUNDATION
2013 FORM 990-PF
EIN 76-0538313
PART XV, LINE 3 GRANTS PAID DURING THE YEAR

RECIPIENT NAME	RECIPIENT ADDRESS	RELATIONSHIP	FOUNDATION STATUS	PURPOSE	AMOUNT
Aoughsten, Mamie	P.O. Box 7758, UT Station Austin, TX 78713-7758	None	n/a	Scholarship	3,000.00
Bulpitt, Kyle	P.O. Box 30016 College Station, TX 77842-3016	None	n/a	Scholarship	4,000.00
Damrath, Patrick	2700 Bay Area Blvd /MC 05 Houston, TX 77058-1098	None	n/a	Scholarship	3,000.00
Dispensa, Kathleen	2700 Bay Area Blvd /MC 05 Houston, TX 77058-1098	None	n/a	Scholarship	3,000.00
Douglas, Jake	P O. Box 30016 College Station, TX 77842-3016	None	n/a	Scholarship	3,000 00
Frank, Chantal	UNT Box 311370 Denton, TX 76203-1370	None	n/a	Scholarship	2,000.00
Houghtaling, Abigail	11400 Concordia University Dr Austin, TX 78726	None	n/a	Scholarship	5,000 00
Houghtaling, Nicolas	5930 Middle Fiskville Rd, Austin, TX 78752-4390	None	n/a	Scholarship	2,500.00
Jakes, Jeffery	1200 Amburn Rd. Texas City, TX 77591	None	n/a	Scholarship	500.00
Jakes, Jessica	1200 Amburn Rd. Texas City, TX 77591	None	n/a	Scholarship	1,000.00
Kelley, Alanna	900 College St. UMHB Station Box 8080 Belton, TX 76513	None	n/a	Scholarship	3,000.00
Kern, Kyle	P.O. Box 30016 College Station, TX 77842-3016	None	n/a	Scholarship	5,000.00
King, Kaitlyn	P.O. Box 30016 College Station, TX 77842-3016	None	n/a	Scholarship	2,000 00
Kramer, Christina	SFA Box 13052 Nacogdoches, TX 75962	None	n/a	Scholarship	4,000.00
McNeill, Hayden	P.O. Box 30016 College Station, TX 77842-3016	None	n/a	Scholarship	4,000.00
Newell, Amanda	2700 Bay Area Blvd./MC 05 Houston, TX 77058-1098	None	n/a	Scholarship	2,000.00
Reihle, Eric	One Bear Place #97048 Waco, TX 76798-7048	None	n/a	Scholarship	2,000 00
Richardson, Catherine	P.O. Box 2273 Huntsville, TX 77341	None	n/a	Scholarship	1,000.00
Richardson, Christopher	P.O. Box 2273 Huntsville, TX 77341	None	n/a	Scholarship	2,000 00
Tu, Hai	One UTSA Circle San Antonio, TX 78249-1644	None	n/a	Scholarship	4,000.00
Windish, Ethan	9E Cullen Bldg Rm 31 Houston, TX 77204-2010	None	n/a	Scholarship	3,000 00
First United Methodist Church	212 W. Benton Ave., Devine, TX 78016	None	509(a)(1)	Scholarships	12,000 00
Rancher's Ride	1800 St. James Place, Suite 210, Houston, TX 77056	None	509(a)(1)	General Support	2,750.00
The Children's Fund, Inc.	P.O Box 56303, Houston, TX 77256	None	509(a)(1)	Handicap Therapy	2,355.00
Turning Point	P.O. Box 2118, Galveston, TX 77553	None	509 (a)(1)	Handicap Therapy	1,500 00
Texas A&M Galveston	P.O. Box 1675, Galveston, TX 77553	None	Gov't	Lyons Scholarships	93,000 00
Texas A&M Galveston	P.O. Box 1675, Galveston, TX 77553	None	Gov't	Pelagic Fisheries Prog.	52,400.00
					223,005.00

MCDANIEL CHARITABLE FOUNDATION
2013 FORM 990-PF
EIN 76-0538313
PART IX-A SUMMARY OF DIRECT CHARITABLE ACTIVITIES

Funding provided by the McDaniel Foundation in 2013 was used to process larval fish samples collected during previous research cruises. Specifically, High-Resolution Melting Analysis was conducted to identify larval tuna and flyingfish to the species level for Maelle Cornic's and Landes Randall's thesis research. Funding was also used to financially support Larissa Kitchens, Maelle Cornic, Landes Randall, and Chris Steffen as research assistants in 2013. Additionally, a MOCNESS cruise was conducted on April 11, 2013 to train lab members to use the system and to test equipment; however, a malfunction in the MOCNESS deck unit prevented deployment. Another MOCNESS cruise will take place from August 11-13, 2014 in order to complete training and to conduct a preliminary study on larval fish assemblages near the Flower Garden Banks.

MCF also supported and directed tagging of adult billfishes during the term of the research agreement with TAMUG. Twenty-five adult blue marlin and eight adult white marlin were tagged in the north-central Gulf of Mexico from 2010 to 2012, resulting in a detailed dataset on horizontal and vertical behavior which is currently being analyzed.

Research funded by the McDaniel Foundation has resulted in two scientific publications within the past year. On October 10, 2013, a paper entitled "Spatial, temporal, and habitat-related variation in abundance of pelagic fishes in the Gulf of Mexico: potential implications of the Deepwater Horizon oil spill" by Jay Rooker, Larissa Kitchens, Michael Dance, David Wells, Brett Falterman, and Maelle Cornic was published in *PLoS ONE*. Also, a paper by Larissa Kitchens and Jay Rooker, entitled "Habitat associations of dolphinfish larvae in the Gulf of Mexico", was recently accepted into *Fisheries Oceanography*. In addition, "Ocean Influences on the distribution and abundance of flyingfish larvae in the northern Gulf of Mexico", by Landes Randall, Jim Cowan, Brad Smith, and Jay Rooker is currently in review for publication. Additionally, research funded by the McDaniel Foundation has resulted in the following conference presentations during the last year:

Randall LL and Rooker JR (2014). Distribution and abundance of the bluntnose flyingfish (*Prognichthys occidentalis*) in the northern Gulf of Mexico. American Fisheries Society Southern Division, Charleston, South Carolina.

Cornic M, Rooker JR, and Alvarado-Bremer JR (2013) Influence of environmental characteristics on tuna larvae distribution and abundance in the Northern Gulf of Mexico. 37th Annual Larval Fish Conference, Miami, FL.

Kitchens, LL, Rooker, JR (2013) Discrimination of chemical signatures in otoliths of juvenile yellowfin tuna (*Thunnus albacares)* from Atlantic Ocean nursery regions. 66th Gulf and Caribbean Fisheries Institute Conference, Corpus Christi, Texas.

Kitchens, LL, Rooker, JR (2013) Habitat Associations of dolphinfish larvae (*Coryphaena spp.*) in the northern Gulf of Mexico. 37th Annual Larval Fish Conference, Miami, Florida.

Randall LL and Rooker JR (2013). Habitat characteristics of flyingfish (family Exocoetidae) larvae in the northern Gulf of Mexico. 66th Annual Conference of the Gulf and Caribbean Fisheries Institute, Corpus Christi, Texas. **Student Achievement Award for Academic Excellence (Best Poster)*

Randall LL and Rooker JR (2013). Ocean influences on the distribution and abundance of flyingfish larvae in the northern Gulf of Mexico. 37th Annual Larval Fish Conference, Miami, FL.

Cornic, M, Rooker JR, and Alvarado-Bremer JR (2014). Influence of environmental characteristics on the distribution and abundance of tuna larvae in the Gulf of Mexico. 65th Tuna Conference, Lake Arrowhead, CA.

Randall, LL and Rooker JR (2014). Distribution and abundance of the bluntnose flyingfish *(Prognichthys occidentalis)* in the northern Gulf of Mexico across mesoscale features. 65th Tuna Conference, Lake Arrowhead, CA.

Graduate Degrees Received:

Landes Randall, Master of Science (MS) degree, Department of Wildlife and Fisheries Sciences, Texas A&M University. Degree completed August 2014. Thesis title: "Distribution and Abundance of Larval Bluntnose Flyingfish *(Prognichthys occidentalis)* in the Gulf of Mexico".

Larissa Kitchens, Master of Science (MS) degree, Department of Wildlife and Fisheries Sciences, Texas A&M University. Thesis title: "Habitat associations of dolphinfish larvae in the Gulf of Mexico" (MS project completed, transitioned to a PhD student)