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EXTENSION GRANTED TO 11/17/2014
Return of Private Foundation

OMB No 1545-0052

2013

Open to Public Inspection

Form 990-PF

Department of the Treasury
Internal Revenue Service

Do not enter Social Security numbers on this form as it may be made public.
Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

For calendar year 2013 or tax year beginning , and ending

Name of foundation
PENASCO VALLEY TELEPHONE EDUCATION FOUNDATION

Number and street (or P O box number if mail is not delivered to street address) Room/suite
4011 WEST MAIN

City or town, state or province, country, and ZIP or foreign postal code
ARTESIA, NM 88210

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) **\$ 561,726.** (Part I, column (d) must be on cash basis)

J Accounting method: Cash Accrual
 Other (specify)

A Employer identification number
85-0422272

B Telephone number
(575)748-1241

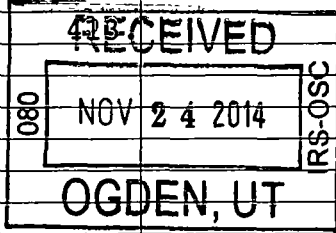
C If exemption application is pending, check here

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

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			N/A	
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	3,351.	3,351.		STATEMENT 1
	4 Dividends and interest from securities				
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a				
	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					
12 Total Add lines 1 through 11		3,351.	3,351.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 2	825.			412.
	c Other professional fees				
	17 Interest				
	18 Taxes				
	19 Depreciation and depletion				
	20 Occupancy				
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 3	<16.>	0.		0.	
24 Total operating and administrative expenses. Add lines 13 through 23	809.	413.		412.	
25 Contributions, gifts, grants paid	34,500.			34,500.	
26 Total expenses and disbursements. Add lines 24 and 25	35,309.	413.		34,912.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	<31,958.>				
b Net investment income (if negative, enter -0-)		2,938.			
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	859.	6,265.	6,265.
	2 Savings and temporary cash investments	592,825.	555,461.	555,461.
	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			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock			
	c Investments - corporate bonds			
	11 Investments - land, buildings and equipment basis ▶			
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other				
14 Land, buildings, and equipment; basis ▶				
Less accumulated depreciation ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item 1)	593,684.	561,726.	561,726.	
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 ▶ <input type="checkbox"/>			
	and complete lines 24 through 26 and lines 30 and 31			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	593,684.	561,726.	
28 Paid-in or capital surplus, or land, bldg, and equipment fund	0.	0.		
29 Retained earnings, accumulated income, endowment, or other funds	0.	0.		
30 Total net assets or fund balances	593,684.	561,726.		
31 Total liabilities and net assets/fund balances	593,684.	561,726.		

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	593,684.
2 Enter amount from Part I, line 27a	2	<31,958.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	561,726.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	561,726.

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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	NONE		
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	
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	

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	37,610.	596,328.	.063069
2011	40,900.	596,873.	.068524
2010	42,204.	580,843.	.072660
2009	49,036.	563,508.	.087019
2008	39,145.	565,425.	.069231

2 Total of line 1, column (d)	2	.360503
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	.072101
4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	563,186.
5 Multiply line 4 by line 3	5	40,606.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	29.
7 Add lines 5 and 6	7	40,635.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	8	34,912.

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	59.
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	59.
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	59.
6 Credits/Payments:			
a 2013 estimated tax payments and 2012 overpayment credited to 2013	6a	260.	
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	260.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	201.	
11 Enter the amount of line 10 to be: Credited to 2014 estimated tax <input type="checkbox"/> 201. Refunded <input type="checkbox"/>	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?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
1c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 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		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> NM		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>N/A</u>	13	X	
14 The books are in care of ► <u>KEVIN BARTLEY</u> Telephone no. ► <u>(575) 748-1241</u> Located at ► <u>4011 WEST MAIN, ARTESIA, NM</u> ZIP+4 ► <u>88210</u>			
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
16 At any time during calendar year 2013, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►	16	Yes	No
			X

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

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

		Yes	No
1a During the year did the foundation (either directly or indirectly):			
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
(6) Agree to pay money or property to a government official? (Exception Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>	1b		X
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
b If "Yes," did it have excess business holdings in 2013 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2013) N/A	3b		
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	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

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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)?

Organizations relying on a current notice regarding disaster assistance check here

5b

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?

If "Yes" to 6b, file Form 8870

6b

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 4		0.	0.	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
NONE				

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

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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 SCHOLARSHIPS - THE FOUNDATION AWARDED SIX NEW SCHOLARSHIPS IN THE AMOUNT OF \$750 PER SEMESTER TO QUALIFIED APPLICANTS WHO RESIDE IN THE EXCHANGE AREA OF PENASCO VALLEY TELEPHONE	34,500.
2 COOPERATIVE AND WHO ARE ACTIVE MEMBERS OF THE COOPERATIVE OR WHO ARE DEPENDENTS OF AN ACTIVE MEMBER OF THE COOPERATIVE. THE SCHOLARSHIPS OF PRIOR RECIPIENTS ARE RENEWED EACH SEMESTER FOR THE EQUIVALENT OF FOUR YEARS OF EDUCATION FOR AS LONG AS ENROLLMENT AND A MINIMUM GPA OF 2.5 IS MAINTAINED.	0.
3	0.
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	
3 All other program-related investments. See instructions.	
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	0.
b	Average of monthly cash balances	1b	571,762.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	571,762.
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	571,762.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	8,576.
5	Net value of noncharitable-use assets Subtract line 4 from line 3. Enter here and on Part V, line 4	5	563,186.
6	Minimum investment return Enter 5% of line 5	6	28,159.

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	28,159.
2a	Tax on investment income for 2013 from Part VI, line 5	2a	59.
b	Income tax for 2013. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	59.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	28,100.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	28,100.
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	28,100.

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	34,912.
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	34,912.
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	34,912.

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.

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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				28,100.
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	11,310.			
b From 2009	21,209.			
c From 2010	13,493.			
d From 2011	11,315.			
e From 2012	7,794.			
f Total of lines 3a through e	65,121.			
4 Qualifying distributions for 2013 from Part XII, line 4: ▶ \$	34,912.			
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				28,100.
e Remaining amount distributed out of corpus	6,812.			
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	71,933.			
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	11,310.			
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a	60,623.			
10 Analysis of line 9:				
a Excess from 2009	21,209.			
b Excess from 2010	13,493.			
c Excess from 2011	11,315.			
d Excess from 2012	7,794.			
e Excess from 2013	6,812.			

**PENASCO VALLEY TELEPHONE EDUCATION
FOUNDATION**

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				(e) Total
	(a) 2013	(b) 2012	Prior 3 years		
			(c) 2011	(d) 2010	
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 5

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:

**PENASCO VALLEY TELEPHONE EDUCATION
FOUNDATION**

Form 990-PF (2013)

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Part XV Supplementary Information *(continued)*

3 Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
AMANDA GENZLING P.O. BOX 192 LAKEWOOD, NM 88254	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	750.
ANTHONY TESILLO PO BOX 171 LAKE ARTHUR, NM 88253	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	750.
BEN VALENZUELA 88 E. COTTONWOOD ROAD ARTESIA, NM 88210	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	750.
CHANCI LOPEZ 2373 SATURN CIRCLE #B LAS CRUCES, NM 88012	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	1,500.
CODY DONAGHE 1414 SPRUCE LANE ARTESIA, NM 88210	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	1,500.
Total	SEE CONTINUATION SHEET(S)			34,500.
b Approved for future payment				
NONE				
Total				
				0.

PENASCO VALLEY TELEPHONE EDUCATION
FOUNDATION

85-0422272

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
D'EDRA ROMERO 1617 CAMINO DEL ARCO HOBBS, NM 88240	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	1,500.
DARREN VANDER DUSSEN 6 WEST FUNK ROAD LAKE ARTHUR, NM 88253	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	1,500.
ESTHER GONZALES 2200 CORLEY DRIVE #6F LAS CRUCES, NM 88001	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	1,500.
FELICIA CHAVEZ P.O. BOX 301 HONDO, NM 88336	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	750.
HALEY MONTES P.O. BOX 74 HONDA, NM 88336	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	1,500.
J.J. CALLAWAY 173 W. COTTONWOOD ROAD ARTESIA, NM 88210	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	1,500.
JAMES HIBBARD 163 RUSSELL GAP ROAD PINON, NM 88344	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	1,500.
JAYSON NATERA 7350 ROSWELL HWY ARTESIA, NM 88210	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	1,500.
JENNA ELKINS PO BOX 1443 ARTESIA, NM 88210	GRANDCHILD OF DIRECTOR	N/A	SCHOLARSHIPS	1,500.
JENNA KLEIN P.O. BOX 345 ARTESIA, NM 88211	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	1,500.
Total from continuation sheets				29,250.

**PENASCO VALLEY TELEPHONE EDUCATION
FOUNDATION**

85-0422272

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
KATHARINE HOLLMANN ENMU 2382, 1500 S AVE K PORTALES, NM 88130	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	1,500.
KOBY CATON R404 N 26TH RURAL STREET ARTESIA, NM 88210	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	1,500.
LAUREN COMINO P.O. BOX 429 WEED, NM 88354	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	1,500.
RYAN ELKINS P.O. BOX 1443 ARTESIA, NM 88211	GRANDCHILD OF DIRECTOR	N/A	SCHOLARSHIPS	1,500.
SELENA CHAVEZ 420 REDONDO DRIVE, E. RM #216B ALBUQUERQUE, NM 87106	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	750.
SHANA ANDERSEN 616 QUEENS HIGHWAY CARLSBAD, NM 88220	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	1,500.
SHARA SHINABERY UNMSRC 959; 2700 CAMPUS BLVD ALBUQUERQUE, NM 87106	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	750.
SHELBY BURNETT 3100 DONA ANA ROAD LAS CRUCES, NM 88007	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	1,500.
STEPHANIE GUIDRY P.O. BOX 1563 HOPE, NM 88250	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	750.
SUSANA GRANADOS 611 PAULA PLACE LAS CRUCES, NM 88001	SEE PAGE 7, PART IX-A	N/A	SCHOLARSHIPS	1,500.
Total from continuation sheets				

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
INTEREST INCOME	3,351.	3,351.	
TOTAL TO PART I, LINE 3	3,351.	3,351.	

FORM 990-PF ACCOUNTING FEES STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	825.	413.		412.
TO FORM 990-PF, PG 1, LN 16B	825.	413.		412.

FORM 990-PF OTHER EXPENSES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BAD DEBTS	<16.>	0.		0.
TO FORM 990-PF, PG 1, LN 23	<16.>	0.		0.

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 4

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
MIKE CASABONNE 4011 W. MAIN ARTESIA, NM 88210	PRESIDENT 1.00	0.	0.	0.
SAM ELKINS 4011 W. MAIN ARTESIA, NM 88210	VICE PRESIDENT 1.00	0.	0.	0.
DWIGHT MENEFEE 4011 W. MAIN ARTESIA, NM 88210	SECRETARY 1.00	0.	0.	0.
CAROL GUITERREZ 4011 W. MAIN ARTESIA, NM 88210	TREASURER 1.00	0.	0.	0.
MARC KINCAID 4011 W. MAIN ARTESIA, NM 88210	DIRECTOR 1.00	0.	0.	0.
ROXANN SALLEE 4011 W. MAIN ARTESIA, NM 88210	DIRECTOR 1.00	0.	0.	0.
FRANK SISNEROS 4011 W. MAIN ARTESIA, NM 88210	DIRECTOR 1.00	0.	0.	0.
JOSE ACOSTA 4011 W. MAIN ARTESIA, NM 88210	DIRECTOR 1.00	0.	0.	0.
RONNIE HOUGHTALING 4011 W. MAIN ARTESIA, NM 88210	DIRECTOR 1.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION
PART XV, LINES 2A THROUGH 2D

STATEMENT 5

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

PENASCO VALLEY TELEPHONE EDUCATION FOUNDATION-SCHOLARSHIP COMMITTEE
4011 WEST MAIN
ARTESIA, NM 88210

TELEPHONE NUMBER

(575) 748-1241

FORM AND CONTENT OF APPLICATIONS

SEE ATTACHED

ANY SUBMISSION DEADLINES

SEE ATTACHED

RESTRICTIONS AND LIMITATIONS ON AWARDS

SEE ATTACHED



PEÑASCO VALLEY TELEPHONE
COOPERATIVE, INC.

PEÑASCO VALLEY TELEPHONE EDUCATION FOUNDATION

Qualification Criteria

The applicant must be an active member of Peñasco Valley Telephone Cooperative, Inc., or immediate family of an active member (son, daughter or legal ward) as of January 1 of the current year and who has had at least two months service.

AN ACTIVE MEMBER IS DEFINED AS A PVT CUSTOMER RECEIVING A TELEPHONE LANDLINE TO THEIR HOME OR BUSINESS FROM A PVT EXCHANGE (COTTONWOOD-365, HONDO-653, HOPE-484, LAKEWOOD-457, LOCO HILLS-677, MAYHILL-687)

High school seniors, current college students and returning-adult students may apply. Wireless phone service or internet service alone does not qualify. Landline service outside the Cooperative's exchange area does not qualify.

Amount and Disbursement of Scholarship

The scholarship awarded by the Peñasco Valley Telephone Education Foundation Trust will be for \$4000 (\$500 per semester) for **undergraduate work only**. Once the Education Foundation receives proof of enrollment, \$500 of the scholarship will be made available prior to the beginning of the first semester.

The recipient is responsible for having written verification of their intent to attend the college/university/trade school in the PVT office two (2) weeks before the beginning of the school term. No monies will be issued without this verification.

Each consecutive semester thereafter, the student must present to the Education Foundation a grade report produced by the school certifying that the student carried at least 12 hours for the entire semester with a minimum grade point average of 2.5 for that semester. Upon receipt of this information and proof of future enrollment as a full time student, the Education Foundation will issue a payment of \$500 to the student. The maximum scholarship amount any student may receive is limited to a total of \$4000.

Type and Location of School

The scholarship can be used for any educational institution of higher learning. This will include any junior college, college, university, trade or vocational school. The student may attend school in any state of the United States.

Scholarship Application (see reverse side)

The complete application must be mailed or hand-delivered and **must be received in the corporate headquarters** of Peñasco Valley Telephone Cooperative, Inc., 4011 West Main Street, Artesia, New Mexico 88210 by March 1. Late applications will not be accepted. The application **MUST BE** postmarked prior to March 1. The complete application **MUST** include:

1. Official Transcript
2. Resume (include education, activities, special achievements and work history)
3. Recommendation letter from a civic or religious leader, employer, or family friend, in a sealed envelope
4. Recommendation letter from a school official at the school you are currently attending, in a sealed envelope
5. Completed application form and required signatures
6. An essay (approximately 300 words) that answers **ONE** of the following questions:
 - a. Describe your most significant accomplishment and explain why you believe it exemplifies you as an individual.
 - b. Describe the community in which you live and indicate how it has influenced the person you are.
 - c. What industry or opportunity would entice you to return to a rural community after completing your education, and why?

Scholarship Announcement

The scholarship winners will be announced at the PVT Annual Meeting.

• If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only Part II and check this box

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

• If you are filing for an **Automatic 3-Month Extension**, complete only Part I (on page 1)

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return See instructions	Name of exempt organization or other filer, see instructions PENASCO VALLEY TELEPHONE EDUCATION FOUNDATION	Employer identification number (EIN) or 85-0422272
	Number, street, and room or suite no. If a P O box, see instructions 4011 WEST MAIN	Social security number (SSN)
	City, town or post office, state, and ZIP code For a foreign address, see instructions ARTESIA, NM 88210	

Enter the Return code for the return that this application is for (file a separate application for each return) 04

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01		
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

KEVIN BARTLEY

• The books are in the care of **4011 WEST MAIN - ARTESIA, NM 88210**
Telephone No **(575) 748-1241** Fax No

• If the organization does not have an office or place of business in the United States, check this box
• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for

4 I request an additional 3-month extension of time until **NOVEMBER 15, 2014**

5 For calendar year **2013**, or other tax year beginning _____, and ending _____

6 If the tax year entered in line 5 is for less than 12 months, check reason Initial return Final return Change in accounting period

7 State in detail why you need the extension
ADDITIONAL TIME IS NEEDED TO GATHER THE INFORMATION TO FILE A COMPLETE AND ACCURATE RETURN.

8a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	8a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b	\$	260.
c Balance due. Subtract line 8b from line 8a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	8c	\$	0.

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature Title **CPA** Date