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Form **990-PF**

Department of the Treasury  
Internal Revenue Service

Return of Private Foundation

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

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OMB No 1545-0052










2013

Open to Public Inspection

For calendar year 2013, or tax year beginning 07-01-2013 , and ending 06-30-2014

Name of foundation George G & Alva Hudson Smith Foundation		<b>A Employer identification number</b>  74-2653426	
Number and street (or P O box number if mail is not delivered to street address) P O Box 1245		<b>B Telephone number</b> (see instructions)  (254) 582-2531	
City or town, state or province, country, and ZIP or foreign postal code Hillsboro, TX 766451245		<b>C</b> If exemption application is pending, check here ▶ <input type="checkbox"/>	
<b>G</b> Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		<b>D 1.</b> Foreign organizations, check here ▶ <input type="checkbox"/> <b>2.</b> Foreign organizations meeting the 85% test, check here and attach computation ▶ <input type="checkbox"/>	
<b>H</b> Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		<b>E</b> If private foundation status was terminated under section 507(b)(1)(A), check here ▶ <input type="checkbox"/>	
<b>I</b> Fair market value of all assets at end of year (from Part II, col. (c), line 16)▶ \$ 2,344,292		<b>F</b> If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ <input type="checkbox"/>	
<b>J</b> Accounting method <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis.)			

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions) )		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	<b>1</b> Contributions, gifts, grants, etc , received (attach schedule)	35			
	<b>2</b> Check ▶ <input checked="" type="checkbox"/> if the foundation is <b>not</b> required to attach Sch B				
	<b>3</b> Interest on savings and temporary cash investments	4	4		
	<b>4</b> Dividends and interest from securities. . . . .	45,413	45,413		
	<b>5a</b> Gross rents . . . . .				
	<b>b</b> Net rental income or (loss) _____				
	<b>6a</b> Net gain or (loss) from sale of assets not on line 10	92,013			
	<b>b</b> Gross sales price for all assets on line 6a 873,303				
	<b>7</b> Capital gain net income (from Part IV, line 2) . . .		92,013		
	<b>8</b> Net short-term capital gain . . . . .				
	<b>9</b> Income modifications . . . . .				
	<b>10a</b> Gross sales less returns and allowances				
Operating and Administrative Expenses	<b>b</b> Less Cost of goods sold . . . . .				
	<b>c</b> Gross profit or (loss) (attach schedule) . . . . .				
	<b>11</b> Other income (attach schedule) . . . . .				
	<b>12 Total.</b> Add lines 1 through 11 . . . . .	137,465	137,430		
	<b>13</b> Compensation of officers, directors, trustees, etc	0	0		0
	<b>14</b> Other employee salaries and wages . . . . .	3,000	0		1,500
	<b>15</b> Pension plans, employee benefits . . . . .				
	<b>16a</b> Legal fees (attach schedule) . . . . .				
	<b>b</b> Accounting fees (attach schedule) . . . . .	1,650	825		0
	<b>c</b> Other professional fees (attach schedule) . . . . .	24,481	24,481		0
	<b>17</b> Interest . . . . .				
	<b>18</b> Taxes (attach schedule) (see instructions)	1,721	620		0
	<b>19</b> Depreciation (attach schedule) and depletion . . .	113	0		
	<b>20</b> Occupancy . . . . .				
	<b>21</b> Travel, conferences, and meetings . . . . .				
	<b>22</b> Printing and publications . . . . .				
	<b>23</b> Other expenses (attach schedule) . . . . .	1,422	1,422		0
	<b>24 Total operating and administrative expenses.</b> Add lines 13 through 23 . . . . .	32,387	27,348		1,500
	<b>25</b> Contributions, gifts, grants paid . . . . .	132,746			132,746
	<b>26 Total expenses and disbursements.</b> Add lines 24 and 25	165,133	27,348		134,246
	<b>27</b> Subtract line 26 from line 12				
	<b>a Excess of revenue over expenses and disbursements</b>	-27,668			
	<b>b Net investment income</b> (if negative, enter -0-)		110,082		
	<b>c Adjusted net income</b> (if negative, enter -0-)				

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions )	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing . . . . .	6,828	17,716	17,716
	2	Savings and temporary cash investments . . . . .	232,428	237,108	237,108
	3	Accounts receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	4	Pledges receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	5	Grants receivable . . . . .			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions) . . . . .			
	7	Other notes and loans receivable (attach schedule) ▶ _____ Less allowance for doubtful accounts ▶ _____			
	8	Inventories for sale or use . . . . .			
	9	Prepaid expenses and deferred charges . . . . .	1,186	85	85
	10a	Investments—U S and state government obligations (attach schedule)	597,653 	444,478	504,131
	b	Investments—corporate stock (attach schedule) . . . . .	936,965 	1,046,149	1,579,612
	c	Investments—corporate bonds (attach schedule). . . . .			
	11	Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12	Investments—mortgage loans . . . . .			
	13	Investments—other (attach schedule) . . . . .	3,223 	5,039	5,039
	14	Land, buildings, and equipment basis ▶ _____ 2,873 Less accumulated depreciation (attach schedule) ▶ 2,592	394 	281	281
15	Other assets (describe ▶ _____)	 167 	 320 	 320	
16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	1,778,844	1,751,176	2,344,292	
Liabilities	17	Accounts payable and accrued expenses . . . . .			
	18	Grants payable . . . . .			
	19	Deferred revenue . . . . .			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule) . . . . .			
	22	Other liabilities (describe ▶ _____)			
	23	Total liabilities (add lines 17 through 22) . . . . .	0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <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 . . . . .	0	0	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund	0	0	
	29	Retained earnings, accumulated income, endowment, or other funds	1,778,844	1,751,176	
	30	Total net assets or fund balances (see page 17 of the instructions) . . . . .	1,778,844	1,751,176	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions) . . . . .	1,778,844	1,751,176	

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 1,778,844
2	Enter amount from Part I, line 27a . . . . .	2 -27,668
3	Other increases not included in line 2 (itemize) ▶ _____	3 0
4	Add lines 1, 2, and 3 . . . . .	4 1,751,176
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 1,751,176

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co )		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr )	(d) Date sold (mo , day, yr )
1a	See Additional Data Table			
b				
c				
d				
e				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a See Additional Data Table			
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 See Additional Data Table			
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	92,013
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)  If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8 . . . . .		3	

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

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

1 Enter the appropriate amount in each column for each year, see page 18 of 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	103,105	2,147,714	0 048007
2011	96,274	2,113,528	0 045551
2010	89,226	1,980,150	0 045060
2009	90,460	1,832,123	0 049374
2008	93,720	1,884,894	0 049722

2	Total of line 1, column (d). . . . .	2	0 237714
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years . . . .	3	0 047543
4	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5. . . . .	4	2,229,060
5	Multiply line 4 by line 3. . . . .	5	105,976
6	Enter 1% of net investment income (1% of Part I, line 27b). . . . .	6	1,101
7	Add lines 5 and 6. . . . .	7	107,077
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	134,246

<b>Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)</b>		
<b>1a</b> 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>b</b> Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b . . . . .	<b>1</b>	1,101
<b>c</b> All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
<b>2</b> Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	<b>2</b>	0
<b>3</b> Add lines 1 and 2. . . . .	<b>3</b>	1,101
<b>4</b> Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	<b>4</b>	0
<b>5 Tax based on investment income.</b> Subtract line 4 from line 3 If zero or less, enter -0- . . . . .	<b>5</b>	1,101
<b>6 Credits/Payments</b>		
<b>a</b> 2013 estimated tax payments and 2012 overpayment credited to 2013	<b>6a</b>	1,186
<b>b</b> Exempt foreign organizations—tax withheld at source . . . . .	<b>6b</b>	
<b>c</b> Tax paid with application for extension of time to file (Form 8868)	<b>6c</b>	
<b>d</b> Backup withholding erroneously withheld . . . . .	<b>6d</b>	
<b>7</b> Total credits and payments Add lines 6a through 6d. . . . .	<b>7</b>	1,186
<b>8</b> Enter any <b>penalty</b> for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	<b>8</b>	
<b>9 Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b> . . . . .	<b>9</b>	
<b>10 Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b> . . . . .	<b>10</b>	85
<b>11</b> Enter the amount of line 10 to be <b>Credited to 2014 estimated tax</b> 85 <b>Refunded</b>	<b>11</b>	0

<b>Part VII-A Statements Regarding Activities</b>			
<b>1a</b> 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? . . . . .	<b>1a</b>	Yes	No
<b>b</b> Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? . . . . . <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>	<b>1b</b>		No
<b>c</b> Did the foundation file <b>Form 1120-POL</b> for this year?. . . . .	<b>1c</b>		No
<b>d</b> Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year <b>(1)</b> On the foundation <input type="checkbox"/> \$ 0 <b>(2)</b> On foundation managers <input type="checkbox"/> \$ 0			
<b>e</b> Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0			
<b>2</b> Has the foundation engaged in any activities that have not previously been reported to the IRS? . . . . . <i>If "Yes," attach a detailed description of the activities.</i>	<b>2</b>		No
<b>3</b> Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i> . . . . .	<b>3</b>		No
<b>4a</b> Did the foundation have unrelated business gross income of \$1,000 or more during the year?. . . . .	<b>4a</b>		No
<b>b</b> If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year?. . . . .	<b>4b</b>		
<b>5</b> Was there a liquidation, termination, dissolution, or substantial contraction during the year? . . . . . <i>If "Yes," attach the statement required by General Instruction T.</i>	<b>5</b>		No
<b>6</b> 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? . . . . .	<b>6</b>	Yes	
<b>7</b> Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV.</i>	<b>7</b>	Yes	
<b>8a</b> Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> TX			
<b>b</b> If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation .</i>	<b>8b</b>	Yes	
<b>9</b> Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i> . . . . .	<b>9</b>		No
<b>10</b> Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses.</i>	<b>10</b>		No

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		No
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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	
Website address N/A				
14	The books are in care of ANDREW L SMITH Telephone no (254) 582-2531 Located at P O BOX 1245 HILLSBORO TX ZIP+4 766451245			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —Check here and enter the amount of tax-exempt interest received or accrued during the year.	15		
16	At any time during calendar year 2013, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	Yes	No
See 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 page 20 of the instructions)?. Organizations relying on a current notice regarding disaster assistance check here.	1b		
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2013?.	1c		No
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013?. If "Yes," list the years 20____, 20____, 20____, 20____			
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 ).	2b		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here 20____, 20____, 20____, 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?. Yes No			
b	If "Yes," did it have excess business holdings in 2013 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2013.).	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
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		No

Part VII-B

Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a

During the year did the foundation pay or incur any amount to

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

b

If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5b

Organizations relying on a current notice regarding disaster assistance check here.

☒

c

If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

☐ Yes ☐ No

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

6a

Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

b

Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

6b

No

If "Yes" to 6b, file Form 8870.

7a

At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b

If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

7b

Part VIII

Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1

List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Additional Data Table				

2

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

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

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

0

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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 (see instructions). If none, enter "NONE".		
(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services. . . . .		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	
2	
3	
4	

Part IX-B

Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments. See page 24 of the instructions.	
3	
Total. Add lines 1 through 3. . . . .	0



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	2,015,838
b	Average of monthly cash balances. . . . .	1b	247,167
c	Fair market value of all other assets (see instructions). . . . .	1c	0
d	Total (add lines 1a, b, and c). . . . .	1d	2,263,005
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	2,263,005
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions). . . . .	4	33,945
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	2,229,060
6	Minimum investment return. Enter 5% of line 5. . . . .	6	111,453

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	111,453
2a	Tax on investment income for 2013 from Part VI, line 5. . . . .	2a	1,101
b	Income tax for 2013 (This does not include the tax from Part VI ). . . . .	2b	
c	Add lines 2a and 2b. . . . .	2c	1,101
3	Distributable amount before adjustments Subtract line 2c from line 1. . . . .	3	110,352
4	Recoveries of amounts treated as qualifying distributions. . . . .	4	0
5	Add lines 3 and 4. . . . .	5	110,352
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	110,352

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	134,246
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	134,246
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions). . . . .	5	1,101
6	Adjusted qualifying distributions. Subtract line 5 from line 4. . . . .	6	133,145

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				110,352
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only. . . . .			5,188	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2013				
a From 2008. . . . .				
b From 2009. . . . .				
c From 2010. . . . .				
d From 2011. . . . .				
e From 2012. . . . .				
f Total of lines 3a through e. . . . .	0			
4 Qualifying distributions for 2013 from Part XII, line 4 ▶ \$ 134,246				
a Applied to 2012, but not more than line 2a			5,188	
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. . . . .				110,352
e Remaining amount distributed out of corpus	18,706			
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	18,706			
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 instructions . . . . .			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) (see instructions). . . . .	0			
8 Excess distributions carryover from 2008 not applied on line 5 or line 7 (see instructions). . .	0			
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a . . . . .	18,706			
10 Analysis of line 9				
a Excess from 2009. . . .				
b Excess from 2010. . . .				
c Excess from 2011. . . .				
d Excess from 2012. . . .				
e Excess from 2013. . . .	18,706			

Part XIVPrivate Operating Foundations (see instructions and Part VII-A, question 9)

1a

If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2013, enter the date of the ruling.

b

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

☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2013	(b) 2012	(c) 2011	(d) 2010	
2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed.				
b	85% of line 2a				
c	Qualifying distributions from Part XII, line 4 for each year listed.				
d	Amounts included in line 2c not used directly for active conduct of exempt activities.				
e	Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c.				
3	Complete 3a, b, or c for the alternative test relied upon.				
a	"Assets" alternative test—enter				
	(1) Value of all assets.				
	(2) Value of assets qualifying under section 4942(j)(3)(B)(i).				
b	"Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed.				
c	"Support" alternative test—enter				
	(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties).				
	(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii).				
	(3) Largest amount of support from an exempt organization.				
	(4) Gross investment income.				

Part XVSupplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year—see instructions.)

1

Information Regarding Foundation Managers:

a

List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2) )

b

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

2

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

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

a

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

BETTY R DOHONEY  
P O BOX 1245  
HILLSBORO, TX 76645  
(254) 582-2531

b

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

TYPED APPLICATION INCLUDING DESCRIPTION OF ORGANIZATION, PROGRAM OR PROJECT FOR WHICH FUNDS ARE NEEDED, WHO WILL BENEFIT, AND IMPLEMENTATION STRATEGY

c

Any submission deadlines

SEPTEMBER 1 EACH YEAR

d

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

STATE OF TEXAS, IRC SECTION 501(C)(3) ORGANIZATIONS

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 See Additional Data Table				
Total . . . . .			3a	132,746
b Approved for future payment				
Total . . . . .			3b	0

Enter gross amounts unless otherwise indicated

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

Form **990-PF** (2013)



Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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 )
886 ORACLE CORP	P	2011-01-01	2013-08-22
US TREASURY BILL 03/07/13	P	2011-01-01	2013-09-05
895 MCGRAW HILL	P	2011-01-01	2013-09-06
US TREASURY BILL 12/13/12	P	2011-01-01	2013-12-12
467 JOHNSON & JOHNSON	P	2011-01-01	2014-01-15
US TREASURY BILL 03/07/13	P	2011-01-01	2014-02-20
760 LEUCADIA NATL	P	2011-01-01	2014-03-11
48 GOOGLE	P	2011-01-01	2014-05-15
511 COMCAST	P	2011-01-01	2014-05-15
636 APOLLO EDUCATION	P	2011-01-01	2014-06-10
552 LEGG MASON INC	P	2011-01-01	2014-06-10
75 NOW INC	P	2011-01-01	2014-06-10
US TREASURY BILL 12/12/13	P	2011-01-01	2014-06-12

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
28,629		30,402	-1,773
69,962		69,962	0
52,803		19,065	33,738
209,929		209,929	0
44,058		25,373	18,685
89,984		89,984	0
21,356		20,813	543
25,684		12,838	12,846
25,581		6,735	18,846
17,465		23,181	-5,716
27,895		13,056	14,839
25		20	5
259,932		259,932	0




Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			-1,773
			0
			33,738
			0
			18,685
			0
			543
			12,846
			18,846
			-5,716
			14,839
			5
			0

Form 990PF Part VIII Line 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
BETTY RAY DOHONEY	PRESIDENT 2 00	0	0	0
PO BOX 1074 HILLSBORO,TX 76645				
D'ETTE COWAN	VICE-PRESIDENT 1 00	0	0	0
230 CATFISH TRAIL WHITNEY,TX 76692				
ANDREW L SMITH	TREASURER 4 00	0	0	0
P O BOX 1245 HILLSBORO,TX 76645				
PAUL BAKER	SECRETARY 1 00	0	0	0
216 CARR SHTREET HILLSBORO,TX 76645				
JOHN B TUGGLE	DIRECTOR 1 00	0	0	0
302 CARR STREET HILLSBORO,TX 76645				

Form 990PF Part XV Line 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)				
<b>a</b> Paid during the year				
ABBOTT ISD 219 S FIRST ABBOTT,TX 76621	NONE	N/A	TO REPLACE MULTI-PURPOSE AUDITORIUM LIGHTING WITH COST EFFECTIVE, ENERGY EFFICIENT LIGHTING	5,511
AQUILLA ISD 404 NORTH RICHARDS AQUILLA,TX 76622	NONE	N/A	TO PURCHASE A DIGITAL LED SIGN FOR OUR SCHOOL DISTRICT TO POST SCHOOL & COMMUNITY EVENTS	6,429
CASA OF MCLENNAN & HILL COUNTIES 2323 COLUMBUS AVE WACO,TX 76701	NONE	N/A	RECRUIT,TRAIN & SUPPORT VOLUNTEERS FOR HILL COUNTY CHILDREN	9,600
HILL COUNTY INDIGENT HEALTH CARE PROGRAM 1 NORTH WACO ST HILLSBORO,TX 76645	NONE	N/A	TO PURCHASE 2 DELL COMPUTERS WITH MONITORS	2,670
HILL COUNTY PAW PALS P O BOX 1533 HILLSBORO,TX 76645	NONE	N/A	TO INSTALL A CANOPY COVER FOR CONCRETE PATIO AND DRIVEWAY	7,075
HILLSBORO FOUNDATION INC 110 W FRANKLIN ST HILLSBORO,TX 76645	NONE	N/A	TO PARTICIPATE IN LIBRARY OF CONGRESS' VETERANS HISTORY PROJECT TO COLLECT FIRST-HAND ACCOUNTS OF LOCAL US VETERANS	1,350
HILLSBORO HERITAGE LEAGUE P O BOX 2 HILLSBORO,TX 76645	NONE	N/A	TO SHARE EXPENSE OF ACQUIRING DUPLICATE PORTRAITS OF DISTRICT JUDGE OF THE 66TH JUDICIAL DISTRICT COURT	300
SPRING HILL CEMETERY ASSOCIATION GALLATIN PIKE S NASHVILLE,TN 37115	NONE	N/A	REPAIR & STRAIGHTEN BRICK WALL AT G W HILL FAMILY BURIAL PLOT	2,400
HUBBARD ECONOMIC DEVELOPMENT CORPORATION 118 N MAGNOLIA AVE HUBBARD,TX 76648	NONE	N/A	TO HELP FINANCE MANDATORY CODE & ADA REQUIREMENTS TO INCREASE CAPACITY OF CIVIC CENTER RESTROOMS	20,000
ITASCA DEPOT HERITAGE & EDUCATION CENTER 105 WAMPUS CAT DR ITASCA,TX 76055	NONE	N/A	TO PURCHASE DISPLAY CASES, LAMINATING FILM & MATERIALS FOR PICTURE FRAMING AND SHOWCASES	5,000
CITY OF HILLSBORO DEPT OF PUBLIC SAFETY(FIRERESCUE) 110 W FRANKLIN ST HILLSBORO,TX 76645	NONE	N/A	TO COMPLETE RESTORATION FOR THE HILLSBORO 1929 SEAGRAVES FIRE ENGINE	6,000
FRIENDS OF THE HILLSBORO CITY LIBRARY 118 SOUTH WACO ST HILLSBORO,TX 76645	NONE	N/A	FUNDING TO REPLACE OLDEST TECHNOLOGY EQUIPMENT WITH NEW WHILE FOCUSING ON PRESERVATION OF HISTORICAL DATA	11,818
FRIENDS OF THE HILLSBORO CITY LIBRARY 118 SOUTH WACO ST HILLSBORO,TX 76645	NONE	N/A	FUNDING TO IMPROVE AND ADD TO THE LANDSCAPING	16,000
LAKE WHITNEY PUBLIC LIBRARY 602 EAST JEFFERSON AVE WHITNEY,TX 76692	NONE	N/A	DOUBLE-SIDED LED SIGN & LAPTOP ALONG WITH FURNITURE FOR THE LIBRARY	9,348
PENELOPE ISD 309 AVE D ST PENELOPE,TX 76676	NONE	N/A	TO PROVIDE ENGAGING "HANDS ON" TOOL FOR 198 STUDENTS & 22 TEACHERS AT PENELOPE ISD	13,745
<b>Total . . . . .</b>  <b>3a</b>				132,746

Form 990PF Part XV Line 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)				
<b>a</b> <i>Paid during the year</i>				
WHITNEY INTERMEDIATE SCHOOL 301 SOUTH SAN JACINTO WHITNEY, TX 76692	NONE	N/A	TO RESTORE & RENOVATE PLAYGROUND AT WHITNEY INTERMEDIATE SCHOOL	20,500
LAKE WHITNEY CHAMBER OF COMMERCE 102 RAILROAD AVE WHITNEY, TX 76692	NONE	N/A	REFUND OF PRIOR YEAR GRANT	-5,000
<b>Total . . . . . ▶ 3a</b>				132,746

## TY 2013 Accounting Fees Schedule

**Name:** George G & Alva Hudson Smith Foundation

**EIN:** 74-2653426

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING	1,650	825		0

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2013 Depreciation Schedule

Name: George G & Alva Hudson Smith Foundation

EIN: 74-2653426

Description of Property	Date Acquired	Cost or Other Basis	Prior Years' Depreciation	Computation Method	Rate / Life (# of years)	Current Year's Depreciation Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included
COMPUTER AND ACCESSORIES	1997-04-29	1,723	1,723	200DB	5 000000000000	0	0		
TABLE	1997-05-05	41	41	200DB	7 000000000000	0	0		
4 DRAWER FILING CABINET	2004-11-15	189	94	200DB	7 000000000000	0	0		
FILING CABINET	2013-01-08	920	66	200DB	7 000000000000	113	0		

**TY 2013 Investments Corporate  
Stock Schedule**

**Name:** George G & Alva Hudson Smith Foundation  
**EIN:** 74-2653426

Name of Stock	End of Year Book Value	End of Year Fair Market Value
443 SH JOHNSON & JOHNSON	21,977	46,347
1020 WALMART STORES	46,951	76,571
1064 COMCAST	13,572	56,743
3305 INTEL	52,232	102,125
1790 MICROSOFT	39,078	74,643
953 LEGG MASON	22,298	48,898
895 MCGRAW HILL	0	0
920 PROCTOR & GAMBLE	55,053	72,303
810 NESTLE	35,604	62,751
500 BECTON DICKINSON & CO	34,896	59,150
1764 APOLLO GROUP	43,252	55,125
750 ABBOTT LABS	17,750	30,675
1345 MEDTRONIC INC	45,825	85,757
580 MERCK & CO	19,091	33,553
885 PEPSICO	56,874	79,066
1730 CITIGROUP	41,172	81,483
26 GOOGLE CL A	6,954	15,201
305 SCHLUMBERGER	21,040	35,975
395 AFLAC INC	19,760	24,589
945 CISCO SYSTEMS INC.	19,871	23,483
585 EXPEDITORS INTL WASH	20,799	25,834
210 IBM	40,525	38,067
760 LEUCADIA NATL CORP	0	0
315 NATIONAL OILWELL VARCO	18,849	25,940
1414 ORACLE CORP	45,500	57,309
990 BP PLC SPONSORED ADR ONE	41,435	52,223
520 TEVA PHARMACEUTICAL INDS	19,723	27,258
74 GOOGLE CL C	19,743	42,571
1309 COCA COLA	49,215	55,449
1890 INTERNATIONAL GAME TECHNOLOGY	24,115	30,070

Name of Stock	End of Year Book Value	End of Year Fair Market Value
78 NOW INCE	2,099	2,824
938 PHILIP MORRIS INTL	77,038	79,083
858 ZOETIS INC	24,905	27,688
1595 TESCO PLC	23,573	23,252
385 HEINEKEN NV	25,380	27,606



**TY 2013 Investments Government  
Obligations Schedule****Name:** George G & Alva Hudson Smith Foundation**EIN:** 74-2653426**US Government Securities - End of  
Year Book Value:**

444,478

**US Government Securities - End of  
Year Fair Market Value:**

504,131

**State & Local Government  
Securities - End of Year Book  
Value:**

0

**State & Local Government  
Securities - End of Year Fair  
Market Value:**

0

## TY 2013 Investments - Other Schedule

**Name:** George G & Alva Hudson Smith Foundation

**EIN:** 74-2653426

Category / Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
INTEREST RECEIVABLE	AT COST	5,039	5,039

**TY 2013 Land, Etc. Schedule****Name:** George G & Alva Hudson Smith Foundation**EIN:** 74-2653426

Category / Item	Cost / Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
COMPUTER AND ACCESSORIES	1,723	1,723	0	
TABLE	41	41	0	
4 DRAWER FILING CABINET	189	189	0	
FILING CABINET	920	639	281	

TY 2013 Other Assets Schedule

**Name:** George G & Alva Hudson Smith Foundation

**EIN:** 74-2653426

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
FIT RECEIVABLE	167	320	320

**TY 2013 Other Expenses Schedule****Name:** George G & Alva Hudson Smith Foundation**EIN:** 74-2653426

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
MISCELLANEOUS	217	217		0
OFFICE SUPPLIES/WEBSITE	1,147	1,147		0
BANK FEES	20	20		0
INTEREST	38	38		0

## TY 2013 Other Professional Fees Schedule

**Name:** George G & Alva Hudson Smith Foundation

**EIN:** 74-2653426

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INVESTMENT MANAGEMENT FEES	24,481	24,481		0

**TY 2013 Taxes Schedule****Name:** George G & Alva Hudson Smith Foundation**EIN:** 74-2653426

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
PAYROLL TAXES	179	179		0
EXCISE TAX	1,101	0		0
FOREIGN TAX	441	441		0