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Form **990-PF**

Return of Private Foundation

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

OMB No 1545-0052

2013Department of the Treasury
Internal Revenue Service

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► Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

Open to Public Inspection

For calendar year 2013 or tax year beginning 07/01/13, and ending 06/30/14

Name of foundation THE PHYLLIS L SCHOENER FOUNDATION		A Employer identification number 90-0197155
Number and street (or P.O. box number if mail is not delivered to street address) 3011 NACOGDOCHES RD., BUILDING 2		B Telephone number (see instructions) 210-824-3224
City or town, state or province, country, and ZIP or foreign postal code SAN ANTONIO TX 78217		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) \$ 5,676,706	J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify)	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) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check ☒ if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	59	59		
	4 Dividends and interest from securities	155,096	155,096		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	157,641			
	b Gross sales price for all assets on line 6a	623,353			
	7 Capital gain net income (from Part IV, line 2)		157,641		
	8 Net short-term capital gain			0	
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule) STMT 1	71	71			
12 Total. Add lines 1 through 11	312,867	312,867	0		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule) STMT 2	2,500	2,500		
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions) STMT 3	4,812	56		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) STMT 4	100	100		
	24 Total operating and administrative expenses. Add lines 13 through 23	7,412	2,656	0	0
	25 Contributions, gifts, grants paid	275,000			275,000
26 Total expenses and disbursements. Add lines 24 and 25	282,412	2,656	0	275,000	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	30,455				
b Net investment income (if negative, enter -0-)		310,211			
c Adjusted net income (if negative, enter -0-)			0		

For Paperwork Reduction Act Notice, see instructions.

Form **990-PF** (2013)

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash – non-interest-bearing				
	2	Savings and temporary cash investments		1,897,644	227,736	227,736
	3	Accounts receivable ▶				
		Less allowance for doubtful accounts ▶				
	4	Pledges receivable ▶				
		Less allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)				
	7	Other notes and loans receivable (att schedule) ▶				
		Less allowance for doubtful accounts ▶	0			
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments – U S and state government obligations (attach schedule)				
	b	Investments – corporate stock (attach schedule) SEE STMT 5		1,192,953	893,312	1,161,452
	c	Investments – corporate bonds (attach schedule) SEE STMT 6		2,300,750	4,300,754	4,287,518
	11	Investments – land, buildings, and equipment basis ▶				
		Less accumulated depreciation (attach sch) ▶				
	12	Investments – mortgage loans				
	13	Investments – other (attach schedule)				
	14	Land, buildings, and equipment basis ▶				
		Less accumulated depreciation (attach sch) ▶				
	15	Other assets (describe ▶)				
	16	Total assets (to be completed by all filers – see the instructions Also, see page 1, item I)		5,391,347	5,421,802	5,676,706
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶)				
	23	Total liabilities (add lines 17 through 22)		0	0	
Net Assets or Fund Balances		Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ▶ ☐				
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ ☒				
	27	Capital stock, trust principal, or current funds		5,391,347	5,421,802	
	28	Paid-in or capital surplus, or land, bldg, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
	30	Total net assets or fund balances (see instructions)		5,391,347	5,421,802	
	31	Total liabilities and net assets/fund balances (see instructions)		5,391,347	5,421,802	

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	5,391,347
2	Enter amount from Part I, line 27a	2	30,455
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	5,421,802
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	5,421,802

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 2000 SHS EXXON MOBIL	P	02/10/10	08/19/13
b 300 SHS VISA	P	12/21/10	08/19/13
c 4000 JOHNSON & JOHNSON	P	05/31/11	10/08/13
d 1000 SHS GENERAL MILLS	P	11/15/10	09/30/13
e CAPITAL GAIN DISTRIBUTIONS			

(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 174,253		147,199	27,054
b 51,361		20,784	30,577
c 344,006		261,456	82,550
d 47,495		36,273	11,222
e 6,238			6,238

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			27,054
b			30,577
c			82,550
d			11,222
e			6,238

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**157,641****3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)**

If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in
Part I, line 8

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

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

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2012	260,244	5,568,522	0.046735
2011	208,800	5,379,901	0.038811
2010	7,500	5,297,846	0.001416
2009	24,000	4,464,929	0.005375
2008	142,200	4,332,185	0.032824

2 Total of line 1, column (d)**2****0.125161****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****0.025032****4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5****4****5,728,366****5 Multiply line 4 by line 3****5****143,392****6 Enter 1% of net investment income (1% of Part I, line 27b)****6****3,102****7 Add lines 5 and 6****7****146,494****8 Enter qualifying distributions from Part XII, line 4****8****275,000**

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)		1	3,102
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b			
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	0
3 Add lines 1 and 2		3	3,102
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	3,102
6 Credits/Payments			
a 2013 estimated tax payments and 2012 overpayment credited to 2013	6a 4,000		
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	4,000
8 Enter any penalty for underpayment of estimated tax Check here ☐ if Form 2220 is attached		8	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed		9	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid		10	898
11 Enter the amount of line 10 to be Credited to 2014 estimated tax 898 Refunded		11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b 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
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation \$ (2) On foundation managers \$		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		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?		
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) 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	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

N/A

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 ► N/A	13	X	
14	The books are in care of ► CAROLINE P LOCHTE 3011 NACOGDOCHES RD, BUILDING 2 Located at ► SAN ANTONIO TX ZIP+4 ► 78217 Telephone no ► 210-824-3224			
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? 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? ☐ 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)? Organizations relying on a current notice regarding disaster assistance check here N/A ☐	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? N/A	1c	
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 ☐ Yes ☒ No		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement – see instructions) N/A	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► 20 , 20 , 20 , 20		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No		
b	If "Yes," did it have excess business holdings in 2013 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2013) N/A	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2013?	4b	X

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

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

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

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

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

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

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

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

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

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **N/A** ☐ Yes ☐ No

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

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** ☒

If "Yes" to 6b, file Form 8870

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

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **N/A** **7b**

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation** (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
JERRY A. PYLE 3011 NACOGDOCHES RD, BUILDING 2 SAN ANTONIO TX 78217	PRES/TREAS 1.00	0	0	0
BARBARA A. BLASS 3011 NACOGDOCHES RD, BUILDING 2 SAN ANTONIO TX 78217	SECRETARY 1.00	0	0	0
CAROLINE P. LOCHTE 3011 NACOGDOCHES RD, BUILDING 2 SAN ANTONIO TX 78217	VP/AST TREAS 1.00	0	0	0

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

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

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

0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services ▶**Part IX-A Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 N/A	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

	Amount
1 N/A	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3 ▶	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	4,765,572
b	Average of monthly cash balances	1b	1,050,028
c	Fair market value of all other assets (see instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	5,815,600
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	5,815,600
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	87,234
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	5,728,366
6	Minimum investment return. Enter 5% of line 5	6	286,418

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	286,418
2a	Tax on investment income for 2013 from Part VI, line 5	2a	3,102
b	Income tax for 2013 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	3,102
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	283,316
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	283,316
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	283,316

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	275,000
b	Program-related investments – total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	275,000
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	3,102
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	271,898

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				283,316
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only			274,647	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2013				
a From 2008				
b From 2009				
c From 2010				
d From 2011				
e From 2012				
f Total of lines 3a through e				
4 Qualifying distributions for 2013 from Part XII, line 4 ▶ \$ 275,000				
a Applied to 2012, but not more than line 2a			274,647	
b Applied to undistributed income of prior years (Election required – see instructions)				
c Treated as distributions out of corpus (Election required – see instructions)				
d Applied to 2013 distributable amount				353
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount – see instructions				
e Undistributed income for 2012 Subtract line 4a from line 2a Taxable amount – see instructions				
f Undistributed income for 2013 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2014				282,963
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2008 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9				
a Excess from 2009				
b Excess from 2010				
c Excess from 2011				
d Excess from 2012				
e Excess from 2013				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2013, enter the date of the ruling ▶

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

2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

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

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

1 Information Regarding Foundation Managers:

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

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

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

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

a The name, address, and telephone number or e-mail address of the person to whom applications should be addressed
CAROLINE P. LOCHTE
3011 NACOGDOCHES RD, BUILDING 2 SAN ANTONIO TX 78217

b The form in which applications should be submitted and information and materials they should include
SEE STATEMENT 7

c Any submission deadlines
APRIL 30 OF EACH YEAR

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors
SEE STATEMENT 8

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 STATEMENT 9				275,000
Total			▶ 3a	275,000
b Approved for future payment N/A				
Total			▶ 3b	

Part XVI-A: Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
f _____					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	59	
4 Dividends and interest from securities			14	155,096	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	157,641	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a _____					
b LITIGATION PROCEEDS			1	71	
c _____					
d _____					
e _____					
12 Subtotal. Add columns (b), (d), and (e)		0		312,867	0
13 Total. Add line 12, columns (b), (d), and (e)				13	312,867

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

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

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
LITIGATION PROCEEDS	\$ 71	\$ 71	\$
TOTAL	\$ 71	\$ 71	\$ 0

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
INDIRECT ACCOUNTING FEES	\$ 2,500	\$ 2,500	\$	\$
TOTAL	\$ 2,500	\$ 2,500	\$ 0	\$ 0

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
FOREIGN TAXES	\$ 56	\$ 56	\$	\$
EXCISE TAX 6/30/13	756			
EXCISE TAX ESTIMATED TAX 6/30/14	4,000			
TOTAL	\$ 4,812	\$ 56	\$ 0	\$ 0

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
EXPENSES				
BANK FEES	100	100	\$	\$
TOTAL	\$ 100	\$ 100	\$ 0	\$ 0

Federal Statements

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

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
5000 SHS A T & T	\$ 159,446	\$ 159,446	COST	\$ 176,800
225 SHS APACHE CORP		18,701	COST	22,640
250 SHS BHP BILLITON PLC		15,050	COST	16,307
400 SHS COCA COLA CO		15,729	COST	16,944
250 SHS DEVON ENERGY CORP		14,937	COST	19,850
250 SHS ENTERGY CORP		15,434	COST	20,523
500 SHS EXELON		14,147	COST	18,240
2000 SHS EXXON MOBIL	147,199		COST	
2000 SHS GENERAL ELECTRIC	74,615	74,615	COST	52,560
1000 SHS GENERAL MILLS	36,273		COST	
400 SHS HALLIBURTON CO		19,452	COST	28,404
4000 SHS JOHNSON & JOHNSON	261,456		COST	
2000 SHS MEDTRONIC INC	85,885	85,885	COST	127,520
1000 SHS MERCK	35,032	35,032	COST	57,850
2000 SHS PEPSICO INC	131,087	131,087	COST	178,680
2000 SHS PFIZER	35,751	35,751	COST	59,360
450 SHS POTASH INC		14,531	COST	17,082
450 SHS SYSCO		16,268	COST	16,853
500 SHS TRANSCANADA		21,821	COST	23,859
3000 SHS UNITED PARCEL SVC	205,426	205,426	COST	307,980
300 SHS VISA	20,783		COST	
TOTAL	\$ 1,192,953	\$ 893,312		\$ 1,161,452

Federal Statements

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

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
PIMCO LOW DURATION CLASS A	\$ 200,004	\$ 200,004	COST	\$ 197,151
PIMCO TOTAL RETURN CLASS A	200,004	200,004	COST	198,373
PIMCO REAL RETURN FUND CLASS A	300,004	300,004	COST	298,202
PIMCO FLOATING INCOME FUND CLASS A	300,004	300,004	COST	298,011
LORD ABBETT SHORT DURATION	1,300,734	2,800,738	COST	2,786,772
CORPORATE CAPITAL TRUST		500,000	COST	509,009
TOTAL	\$ 2,300,750	\$ 4,300,754		\$ 4,287,518

Federal Statements**Statement 7 - Form 990-PF, Part XV, Line 2b - Application Format and Required Contents**Description

WRITTEN REQUEST DESCRIBING USE AND PURPOSE; PROOF OF TAX
EXEMPT STATUS

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

APRIL 30 OF EACH YEAR

Statement 8 - Form 990-PF, Part XV, Line 2d - Award Restrictions or LimitationsDescription

CHARITABLE, RELIGIOUS, SCIENTIFIC, LITERARY, EDUCATIONAL,
TESTING FOR PUBLIC SAFETY, 501(C)(3) EXEMPT ORGANIZATIONS

Federal Statements

Statement 9 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the
Year

Name		Address		Relationship	Status	Purpose	Amount
Address							
REAGAN HIGH SCHOOL DANCE PROGRAM		19000 RONALD REAGAN DR				PROGRAM EXPENSES	2,500
SAN ANTONIO TX 78258	NONE	501C3					
HAVEN FOR HOPE		ONE HAVEN FOR HOPE WAY				PROGRAM EXPENSES	35,000
SAN ANTONIO TX 78207	NONE	PO BOX 5567					
JEFFERSON HISTORICAL SOCIETY		501C3				PROGRAM EXPENSES	20,000
SAN ANTONIO TX 78201	NONE	10750 PLEASANTON RD					
MITCHELL LAKE AUDUBON CENTER		501C3				PROGRAM EXPENSES	20,000
SAN ANTONIO TX 78221	NONE	PO BOX 690184					
TJHS LASSO ALUMNI ASSOCIATION		501C3				PROGRAM EXPENSES	5,000
SAN ANTONIO TX 78269	NONE	5084 DE ZAVALA RD					
UNIVERSITY UNITED METHODIST CHURCH		501C3				PROGRAM EXPENSES	20,000
SAN ANTONIO TX 78249	NONE	23755 CANYON GOLF RD					
THE FELLOWSHIP OF SAN ANTONIO		501C3				PROGRAM EXPENSES	20,000
SAN ANTONIO TX 78258	NONE	501 BROADWAY					
KLRN PUBLIC TELEVISION		501C3				PROGRAM EXPENSES	15,000
SAN ANTONIO TX 78215	NONE	12500 NW MILITARY HWY					
BARSHOP JEWISH COMMUNITY CENTER		501C3				PROGRAM EXPENSES	20,000
SAN ANTONIO TX 78231	NONE	719 EARL GARRETT ST					
FOUNDATIONS FOR LAITY RENEWAL		501C3				PROGRAM EXPENSES	15,000
KERRVILLE TX 78028	NONE	4306 NW LOOP 410					
CHRISTIAN SENIOR SERVICES		501C3				PROGRAM EXPENSES	5,000
SAN ANTONIO TX 78229	NONE	BLDG 3623 G.C.BEACH RD					
ARMY FISHER HOUSES		501C3				PROGRAM EXPENSES	10,000
FORT SAM HOUSTON TX 78234	NONE	5949 SUMMER FEST					
KIRBY 4-H CLUB		501C3				PROGRAM EXPENSES	5,000
SAN ANTONIO TX 78244	NONE	501 ST JUDE PLACE					
ST JUDE CHILDREN'S RES HOSPITAL		501C3				PROGRAM EXPENSES	10,000
MEMPHIS TN 38105	NONE	5200 W OLD US HWY 90					
SAN ANTONIO FOOD BANK		501C3				PROGRAM EXPENSES	10,000
SAN ANTONIO TX 78227	NONE	19000 RONALD REAGAN DR					
REAGAN HIGH SCHOOL SPIRIT CLUB		501C3				PROGRAM EXPENSES	7,500
SAN ANTONIO TX 78258	NONE	2939 W WOODLAWN					
CHILDREN'S SHELTER OF SAN ANTONIO		501C3				PROGRAM EXPENSES	10,000
SAN ANTONIO TX 78228	NONE						

Federal Statements

**Statement 9 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the
Year (continued)**

Name		Address		Relationship	Status	Purpose	Amount
100 CLUB OF SAN ANTONIO		SAN ANTONIO TX 78209		NONE	501C3	PROGRAM EXPENSES	10,000
RONALD MCDONALD HOUSE CHARITY		SAN ANTONIO TX 78229		NONE	501C3	BUILDING FUND	30,000
ST EDWARDS UNIVERSITY		AUSTIN TX 78704		NONE	501C3	PROGRAM EXPENSES	5,000
TOTAL							275,000