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

2014

Department 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 2014 or tax year beginning

, 2014, and ending

, 20

Name of foundation WILLIAM H & HELEN L NELSON SCH FUND		A Employer identification number 20-1947722						
Number and street (or P.O. box number if mail is not delivered to street address) P O BOX 1906	Room/suite	B Telephone number (see instructions) 870-424-8072						
City or town, state or province, country, and ZIP or foreign postal code MOUNTAIN HOME AR 72654-1906		C If exemption application is pending, check here ☐						
G Check all that apply: <table border="0"> <tr> <td>☐ Initial return</td> <td>☐ Initial return of a former public charity</td> </tr> <tr> <td>☐ Final return</td> <td>☐ Amended return</td> </tr> <tr> <td>☐ Address change</td> <td>☐ Name change</td> </tr> </table>		☐ 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 ☐ 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 ☐
☐ 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) ▶ \$ 529,800.		J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____ (Part I, column (d) must be on cash basis.)						

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check ☒ if the foundation is not required to attach Schedule B				
	3 Interest on savings and temporary cash investments	34.	34.		
	4 Dividends and interest from securities	25,669.	10,352.8		
	5a Gross rents				
	b (Net rental income or loss)				
	6a Net gain/(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)		2,511.		
	8 Net short-term capital gain			987.	
	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)					
12 Total. Add lines 1 through 11	25,703.	12,897.	987.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	500.	296.		204.
	c Other professional fees (attach schedule)	5,146.	1,391.		2,103.
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	420.	56.		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)				
	24 Total operating and administrative expenses. Add lines 13 through 23	6,066.	1,743.		2,307.
	25 Contributions, gifts, grants paid	19,500.			19,500.
26 Total expenses and disbursements. Add lines 24 and 25	25,566.	1,743.		21,807.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	137.				
b Net investment income (if negative, enter -0-)		11,154.			
c Adjusted net income (if negative, enter -0-)			987.		

For Paperwork Reduction Act Notice, see instructions.

Form 990-PF (2014)

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	14,492.	23,129.	23,129.	
	3	Accounts receivable				
		Less: allowance for doubtful accts.				
	4	Pledges receivable				
		Less: allowance for doubtful accts.				
	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				
	10a	Investments - U.S. and state govt. obligations (attach schedule)	222,668.	214,468.	227,991.	
	b	Investments - corporate stock (attach schedule)	83,822.	94,864.	107,979.	
	c	Investments - corporate bonds (attach schedule)	97,700.	97,700.	110,338.	
	Liabilities	11	Investments - land, buildings, and equipment basis			
		Less: accumulated depreciation (attach schedule)				
12		Investments - mortgage loans				
13		Investments - other (attach schedule)	69,958.	60,134.	60,363.	
14		Land, buildings, and equipment basis				
		Less: accumulated depreciation (attach schedule)				
15		Other assets (describe)				
16		Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	488,640.	490,295.	529,800.	
17		Accounts payable and accrued expenses				
18		Grants payable				
Net Assets or Fund Balances	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)				
		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, ck. here ☒ and complete lines 27 through 31.				
27	Capital stock, trust principal, or current funds					
28	Paid-in or capital surplus, or land, bldg., and equipment fund					
29	Retained earnings, accumulated income, endowment, or other funds	488,640.	490,295.			
30	Total net assets or fund balances (see instructions)	488,640.	490,295.			
31	Total liabilities and net assets/fund balances (see instructions)	488,640.	490,295.			

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	488,640.
2	Enter amount from Part I, line 27a	2	137.
3	Other increases not included in line 2 (itemize) OTHER INCREASES	3	2,577.
4	Add lines 1, 2, and 3	4	491,354.
5	Decreases not included in line 2 (itemize) OTHER DECREASES	5	1,059.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	490,295.

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.)
1 a	SEE ATTACHED	P	11/29/2004	VARIOUS
b	SEE ATTACHED	P	VA/RI/OUS	VARIOUS
c	SEE ATTACHED	P	VA/RI/OUS	VARIOUS
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 8,000.		8,200.	(200.)
b 32,477.		31,490.	987.
c 16,613.		14,889.	1,724.
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			(200.)
b			987.
c			1,724.
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	2,511.
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	987.

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 beg. in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2013	52,676.	518,980.	
2012	20,361.	533,771.	
2011	17,006.	508,418.	
2010	21,527.	464,724.	
2009	18,869.	434,531.	

2 Total of line 1, column (d)	2	
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	
4 Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	
5 Multiply line 4 by line 3	5	
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	
7 Add lines 5 and 6	7	
8 Enter qualifying distributions from Part XII, line 4	8	

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 instr.)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☐ and enter 1% of Part I, line 27b		1	223.
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	223.
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	223.
6 Credits/Payments:			
a 2014 estimated tax payments and 2013 overpayment credited to 2014	6a		
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		
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		223.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be: Credited to 2015 estimated tax ☐ 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?		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) ☐ AR		
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 2014 or the taxable year beginning in 2014 (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

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 ▶ FIRST SECURITY BANK Telephone no. ▶ 870-424-8072 Located at ▶ P O BOX 1906 MOUNTAIN HOME AR ZIP+4 ▶ 72654			
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 2014, 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 instructions for exceptions and filing requirements for FinCEN Form 114, (formerly 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 ▶ ☐	1b	N/A
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 2014?	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 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? ☐ Yes ☒ No If "Yes," list the years ▶ 20 __, 20 __, 20 __, 20 __		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see the instructions.)	2b	N/A
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 2014 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 2014.)	3b	N/A
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 2014?	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 4945(d)(4)(A)? (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)? ☐ Yes ☒ No

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

5b N/A

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

6b X

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

7b N/A

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No

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 comp.	(e) Expense account, other allowances
PAUL JOHNSON P O BOX 1906 MOUNTAIN HOME AR 72654	CHAIRMAN 1	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 ☐

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 info such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 NURSING SCHOLARSHIPS FOR 13 RECIPIENTS	
	19,500.
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 N/A	
All other program-related investments. See instructions.	
3 N/A	
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	501,320.
b	Average of monthly cash balances	1b	18,811.
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	520,131.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	520,131.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	7,802.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	512,329.
6	Minimum investment return. Enter 5% of line 5	6	25,616.

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	25,616.
2a	Tax on investment income for 2014 from Part VI, line 5	2a	223.
b	Income tax for 2014. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	223.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	25,393.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	25,393.
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	25,393.

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	21,807.
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	21,807.
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	
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	21,807.

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 2013	(c) 2013	(d) 2014
1 Distributable amount for 2014 from Part XI, line 7				25,393.
2 Undistributed income, if any, as of the end of 2014:				
a Enter amount for 2013 only			12,582.	
b Total for prior years: 20 __, 20 __, 20 __				
3 Excess distributions carryover, if any, to 2014:				
a From 2009				
b From 2010				
c From 2011				
d From 2012				
e From 2013				
f Total of lines 3a through e				
4 Qualifying distributions for 2014 from Part XII, line 4: ▶ \$ 21,807.				
a Applied to 2013, but not more than line 2a			12,582.	
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 2014 distributable amount				9,225.
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2014 (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, & 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 2013. Subtract line 4a from line 2a. Taxable amount - see instructions				
f Undistributed income for 2014. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2015				16,168.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)				
8 Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9:				
a Excess from 2010				
b Excess from 2011				
c Excess from 2012				
d Excess from 2013				
e Excess from 2014				

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 2014, 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) ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2014	(b) 2013	(c) 2012	(d) 2011	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 Information Regarding Foundation Managers:

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

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:

BAXTER REGIONAL MD CENTER 870-508-1000 624 HOSPITAL DR MOUNTAIN HOME AR 7

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

APPLICATION FORM AND LETTER OUTLINING CAREER GOALS AND FINANCIAL NEEDS

c Any submission deadlines:

N/A

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

LIMITED TO NURSING STUDENTS WHO ARE RESIDENTS OF BAXTER & MARION COUNTIES

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				
JAIME WILLETT				
72653 AR MOUNTAIN HOME SARAH FLIPPIN			NURSING SCHOLAR	1,500.
72653 AR MOUNTAIN HOME SHELBY HALLIDAY			NURSING SCHOLAR	1,500.
72653 AR MOUNTAIN HOME ANGELA MYERS-OBERMIRE			NURSING SCHOLAR	1,500.
72653 AR MOUNTAIN HOME KRYSTAL WALTERS			NURSING SCHOLAR	1,500.
72653 AR MOUNTAIN HOME CATHERINE COON			NURSING SCHOLAR	1,500.
72653 AR MOUNTAIN HOME STACY EVANS			NURSING SCHOLAR	1,500.
72653 AR MOUNTAIN HOME KELLY BODIMER-BRUCE			NURSING SCHOLAR	1,500.
72653 AR MOUNTAIN HOME			NURSING SCHOLAR	1,500.
Total				19,500.
b Approved for future payment				
Total				

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		Yes	No
a Transfers from the reporting foundation to a noncharitable exempt organization of:			
(1) Cash			X
(2) Other assets			X
b Other transactions:			
(1) Sales of assets to a noncharitable exempt organization			X
(2) Purchases of assets from a noncharitable exempt organization			X
(3) Rental of facilities, equipment, or other assets			X
(4) Reimbursement arrangements			X
(5) Loans or loan guarantees			X
(6) Performance of services or membership or fundraising solicitations			X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees			X
d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.			

[illegible]

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

(a) Name of organization	(b) Type of organization	(c) Description of relationship

First Security Bank, Trustee		
Marvina Carson, ATO 5-13-2015	5-13-2015	ASSISTANT Trust Officer
Signature of officer or trustee	Date	Title

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

Pnnr/Type preparer's name RANDY W QUEEN CPA		Preparer's signature <i>Randy W. Queen</i>		Date 5-13-15	Check ☐ if self-employed	PTIN P01286384
Firm's name ▶ RANDY W QUEEN CPA P A					Firm's EIN ▶ 71-0765344	
Firm's address ▶ 707 N CARDINAL SUITE 5 MOUNTAIN HOME AR 72653-					Phone no. 870-425-6206	

US 990PF	Grants and Contributions Paid During the Year	2014
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US 990PF	Grants and Contributions Paid During the Year	2014
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US 990PF	Grants and Contributions Paid During the Year	2014
----------	---	------

Recipient name and address	If an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
MADISON HOVIS				
MOUNTAIN HOME AR 72653 JOSEPH MILNER			NURSING SCHOLAR	1,500.
MOUNTAIN HOME AR 72653 DAWN BENNETT			NURSING SCHOLAR	1,500.
MOUNTAIN HOME AR 72653 DANA BROWN			NURSING SCHOLAR	1,500.
MOUNTAIN HOME AR 72653 CAROL NONEY			NURSING SCHOLAR	1,500.
MOUNTAIN HOME AR 72653			NURSING SCHOLAR	1,500.
Total				7,500.

17

US 990	Investments: Corporate Stock as of Year End	2014
Description	Book value	FMV
SEE ATTACHED	94,864.	107,979.
	94,864.	107,979.

US 990 Investments: Corporate Bonds as of Year End		2014
Description	Book value	FMV
SEE ATTACHED	97,700.	110,338.
	97,700.	110,338.

US 990

Investments - Other
990-PF: Page 2, Line 13

2014

Description	Basis of valuation	Book value	FMV
125 SH VANGUARD INDES MID-CAP	COST	15,145.	15,362.
1047.798 SH IVY INTL CORE EQUITY	COST	18,093.	17,907.
94.017 SH DELAWARE SMALL CAP VALUE	COST	4,501.	5,175.
138 SH ISHARES TR IBOXX HIGH YIELD	COST	12,726.	12,434.
735.261 SH CALAMOS EVOLVING WORLD	COST	9,669.	9,485.
		60,134.	60,363.

US 990**Other Increases****2014**

Description	Amount
CAPITAL GAINS	2,511.
CAPITAL CREDITS	59.
EXCISE TAX REFUND	7.
	2,577.

Account Holdings As Of

Filtered By: Account = 30221020; Wm. Nelson & Helen Nelson Schol Fd

Sorted By : Account Number

Date Run : 02/02/2015

Account Name: Wm. Nelson & Helen Nelson Schol Fd

As Of: 12/31/2014

Account Number 30221020

Time Printed : 2:26:31 PM

Shares	Asset Description	Cost	Market	Unr Gain Loss	Est Ann Inc	Yield
Prices As Of : 12/31/2014						

Money Market Funds

23,128.86	FSB Money Market Account	23,128.86	23,128.86	0.00	57.82	0.25%
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Sub Total

Corporate Bonds

45,000	Little Rock Ar Indl Dev Rev 6.4000% 11/01/17	47,700.00	50,869.35	3,169.35	2,880.00	5.66%
50,000	Bellsouth Corp Nt 6.0000% 11/15/34	50,000.00	59,468.35	9,468.35	3,000.00	5.04%

Sub Total

Municipal Bonds

12,000	Garland Cnty AR 5.0000% 02/01/27	12,300.00	12,009.24	-290.76	600.00	5.00%
50,000	Onondaga Cnty NY Recovery Zone 5.75% 06/15/28	51,225.00	55,388.00	4,163.00	2,875.00	5.19%
50,000	Greenwood Cnty Sc Sch Dist 5.8750% 03/01/29	50,443.00	56,069.50	5,626.50	2,937.50	5.24%
50,000	York Cnty Sc Sch Dist No.1 5.7500% 03/01/29	50,000.00	50,947.50	947.50	2,875.00	5.64%
50,000	University NE Univ Rev Build 5.7000% 07/01/29	50,500.00	53,576.50	3,076.50	2,850.00	5.32%

Sub Total

Common Stock

55	Altria Group, Inc.	1,889.53	2,783.00	893.47	114.40	4.11%
70	AT&T, Inc.	2,336.95	2,338.00	1.05	131.60	5.63%
35	Baxter International Inc.	2,544.21	2,533.30	-10.91	72.80	2.87%
40	BHP Billiton Limited	2,634.00	1,877.20	-756.80	96.80	5.16%
5	BlackRock, Inc.	1,428.28	1,746.15	317.87	38.60	2.21%
25	Chevron Corporation	3,078.33	2,705.25	-373.08	107.00	3.96%
100	Cisco Systems, Inc.	2,230.50	2,779.00	548.50	76.00	2.73%

Account Holdings As Of

Filtered By: Account = 30221020: Wm. Nelson & Helen Nelson Schol Fd

Sorted By : Account Number

Date Run : 02/02/2015

Account Name: Wm. Nelson & Helen Nelson Schol Fd

As Of : 12/31/2014

Account Number 30221020

Time Printed : 2:26:31 PM

Shares	Asset Description	Cost	Market	Unr Gain Loss	Est Ann Inc	Yield
Prices As Of : 12/31/2014						
65	CMS Energy Corp.	1,700.72	2,293.20	592.48	70.20	3.06%
35	ConocoPhillips	2,390.33	2,272.20	-118.13	102.20	4.50%
40	Corrections Corporation of America	1,300.20	1,492.40	192.20	81.60	5.47%
30	Digital Realty Trust Inc.	1,612.00	2,045.40	433.40	99.60	4.87%
25	Dominion Resources, Inc.	1,427.87	1,912.50	484.63	60.00	3.14%
25	Duke Energy Corporation	1,648.53	2,123.25	474.72	79.50	3.74%
30	E. I. du Pont de Nemours and Company	1,663.65	2,205.00	541.35	56.40	2.56%
45	Emerson Electric Co.	2,784.38	2,740.50	-43.88	84.60	3.09%
50	Enbridge Inc.	2,265.75	2,337.50	71.75	81.84	3.50%
165	Ford Motor Co.	2,616.37	2,509.65	-106.72	82.50	3.29%
130	General Electric Company	3,086.44	3,123.90	37.46	119.60	3.83%
1,875	Halyard Health Inc.	773.89	89.68	-684.21	0.00	0.00%
50	Hasbro, Inc.	2,387.25	2,661.00	273.75	86.00	3.23%
120	Intel Corporation	2,729.39	4,411.20	1,681.81	108.00	2.45%
35	International Paper Co	1,745.28	1,857.10	111.82	56.00	3.02%
30	Johnson & Johnson	2,601.15	3,148.20	547.05	84.00	2.67%
45	JPMorgan Chase & Co.	2,500.03	2,670.30	170.27	72.00	2.70%
15	Kimberly-Clarke Corporation	773.89	1,739.10	965.21	50.40	2.90%
35	Kohl's Corp.	1,844.33	2,107.35	263.02	54.60	2.59%
40	Lorillard Inc.	2,130.20	2,545.20	415.00	98.40	3.87%

Account Holdings As Of

Filtered By: Account = 30221020; Wm. Nelson & Helen Nelson Schol Fd

Sorted By : Account Number

Date Run : 02/02/2015

Account Name: Wm. Nelson & Helen Nelson Schol Fd

As Of : 12/31/2014

Account Number 30221020

Time Printed : 2:26:31 PM

Shares	Asset Description	Cost	Market	Unr Gain Loss	Est Ann Inc	Yield
Prices As Of : 12/31/2014						
25	McDonald's Corp.	2,469.86	2,330.25	-139.61	85.00	3.65%
50	Merck & Co. Inc.	2,376.75	3,128.00	751.25	90.00	2.88%
75	Microsoft Corporation	2,530.88	3,539.25	1,008.37	93.00	2.63%
30	Novartis AG	2,270.85	2,883.60	612.75	70.15	2.43%
20	PepsiCo, Inc.	1,633.64	1,936.40	302.76	52.40	2.71%
95	Pfizer Inc.	2,712.43	3,101.75	389.32	106.40	3.43%
30	PNC Financial Services Group, Inc.	2,124.15	2,603.10	478.95	57.60	2.21%
20	Prudential Financial, Inc.	1,660.50	1,706.40	45.90	46.40	2.72%
55	RLJ Lodging	1,596.97	1,905.20	308.23	66.00	3.46%
65	Rogers Communications Inc.	2,721.38	2,506.40	-214.98	105.90	4.23%
40	Royal Dutch Shell plc (RDS-B)	2,700.20	2,641.20	-59.00	150.40	5.69%
35	SCANA Corp.	1,628.73	2,136.05	507.32	73.50	3.44%
35	Target Corp.	2,097.03	2,675.05	578.02	72.80	2.72%
35	Travelers Companies, Inc.	2,805.43	3,704.05	898.62	77.00	2.08%
25	Ventas Inc (Vtr)	1,532.63	1,901.50	368.87	79.00	4.15%
76	Verizon Communications Inc.	3,700.87	3,553.76	-147.11	167.20	4.70%
30	Wal-Mart Stores Inc.	2,177.85	2,680.50	502.65	57.60	2.15%
Sub Total			107,978.99	13,115.39	3,614.99	3.35%
ETF U.S. SMID						
125	Vanguard Index Mid-Cap	15,145.25	15,362.50	217.25	199.13	1.30%
Sub Total			15,362.50	217.25	199.13	1.30%

Account Holdings As Of

Filtered By: Account = 30221020: Wm. Nelson & Helen Nelson Schol Fd

Sorted By : Account Number

Date Run : 02/02/2015

Account Name: Wm. Nelson & Helen Nelson Schol Fd

Account Number 30221020

Time Printed : 2:26:32 PM

As Of : 12/31/2014

Shares Asset Description

Prices As Of : 12/31/2014

Mutual Fund Dev ex-US LC

1,047.798 Ivy International Core Equity Instl

Sub Total

Mutual Fund U.S. SMID

94.017 Delaware Small Cap Value Instl

Sub Total

ETF High Yield

138 Ishares Tr Iboxx High Yield Corp Bd Fd

Sub Total

Mutual Fund Emerging Markets

735.261 Calamos Evolving World Growth Instl

Sub Total

Grand Total

Principal Cash: -16,414.58

Income Cash: 16,414.58

Invested Income: 0.00

Cost	Market	Unr Gain Loss	Est Ann Inc	Yield
18,092.94	17,906.87	-186.07	312.98	1.75%
18,092.94	17,906.87	-186.07	312.98	1.75%
4,500.57	5,175.64	675.07	29.33	0.57%
4,500.57	5,175.64	675.07	29.33	0.57%
12,726.44	12,433.80	-292.64	607.79	4.89%
12,726.44	12,433.80	-292.64	607.79	4.89%
9,669.54	9,484.87	-184.67	49.89	0.53%
9,669.54	9,484.87	-184.67	49.89	0.53%
490,295.20	529,799.97	39,504.77	22,889.43	4.32%

01/30/2015

RECIPIENT:

Wm. Nelson & Helen Nelson Scholarship Fund
First Security Bank, Trustee
P. O. Box 1906
Mountain Home AR 72654-1906

PAYER:

First Security Bank
C/O Trust Department
PO Box 1009
Searcy AR 72145-1009

RECIPIENT'S FEDERAL ID:

20-1947722

PAYER'S FEDERAL ID:

710159420

Account Number :

30221020

Wm. Nelson & Helen Nelson Schol Fd

PROCEEDS FROM BROKER AND BARTER EXCHANGE TRANSACTIONS

2014 Form 1099 - B
OMB No. 1545-0715

Reported To IRS: Proceeds Less Commissions And Option Premiums

CUSIP/Symbol	Description of Property (Box 1a)	Applicable Box on Form 8949	Date Acquired (Box 1b)	Date Sold/Disposed (Box 1c)	Proceeds (Box 1d)	Cost or Other Basis (Box 1e)	Code, if any? (Box 1f)	Adjustments (Box 1g)	FEDERAL INCOME TAX WITHHELD (Box 4)
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Non-Covered (Box 5 checked - Basis not reported to IRS)

Long Term Sales (Box 2 checked as LT)

36608PAY0	4000 shs O of Garland Cnty AR 5 0000% O E		11/29/2004	02/04/2014	4,000.00	4,100.00		0.00	0.00
36608PAY0	4000 shs O of Garland Cnty AR 5 0000% O E		11/29/2004	08/01/2014	4,000.00	4,100.00		0.00	0.00

Total Long Term Sales Reported on 1099-B

Report on Form 8949, Part II, with Box E checked

Covered (Box 3 checked - Basis reported to IRS)

Short Term Sales (Box 2 checked as ST)

92857W308	0 636 shs C of Vodafone Group PLC	A	09/06/2013	03/25/2014	23.39	38.19		0.00	0.00
92343V104	0 0401 shs C of Verizon Communications	A	05/29/2013	03/25/2014	1.88	2.00		0.00	0.00
025083791	177.731 shs C of American Century Herit	A	06/05/2013	03/28/2014	4,605.00	4,327.75		0.00	0.00

Account Number : 30221020

CUSIP/Symbol	Description of Property (Box 1a)	Applicable Box on Form 8949	Date Acquired (Box 1b)	Date Sold/Disposed (Box 1c)	Proceeds (Box 1d)	Cost or Other Basis (Box 1e)	Code, If any? (Box 1f)	Adjustments (Box 1g)	FEDERAL INCOME TAX WITHHELD (Box 4)
884903105	80 shs C of Thomson Reuters Corporation	A	09/06/2013	03/29/2014	2,719.16	2,710.79		0.00	0.00
438516106	15 shs C of Honeywell International Inc	A	09/06/2013	03/29/2014	1,361.92	1,220.93		0.00	0.00
94106L109	60 shs C of Waste Management, Inc	A	09/06/2013	03/29/2014	2,469.25	2,398.50		0.00	0.00
246097208	139 568 shs C of Delaware Small Cap Val	A	06/05/2013	03/29/2014	7,760.00	6,636.46		0.00	0.00
128119138	517 229 shs C of Calamos Evolving World	A	06/05/2013	03/29/2014	7,205.00	6,797.67		0.00	0.00
92857W308	43 shs C of Vodafone Group PLC	A	09/06/2013	03/29/2014	1,565.02	2,582.21		0.00	0.00
205887102	70 shs C of ConAgra Foods, Inc	A	09/06/2013	07/10/2014	2,131.81	2,360.05		0.00	0.00
025083791	97.97 shs C of American Century Hentag	A	12/05/2013	10/31/2014	2,634.41	2,414.96		0.00	0.00
Total Short Term Sales Reported on 1099-B					32,476.84	31,489.51		0.00	0.00
Report on Form 8949, Part I, with Box D checked									
Long Term Sales (Box 2 checked as LT)									
29364G103	25 shs C of Entergy Corporation	D	09/06/2013	09/12/2014	1,891.45	1,571.88		0.00	0.00
26441C204	10 shs C of Duke Energy Corporation	D	05/29/2013	09/12/2014	732.93	666.25		0.00	0.00
125896100	25 shs C of CMS Energy Corp	D	09/06/2013	09/12/2014	740.36	654.13		0.00	0.00
025083791	492 70 shs C of American Century Herita	D	06/05/2013	10/31/2014	13,248.71	11,997.25		0.00	0.00
Total Long Term Sales Reported on 1099-B					16,613.45	14,889.51		0.00	0.00
Report on Form 8949, Part II, with Box D checked									

Summary of Form 1099-B

1d	Proceeds	\$ 57,090.29
1e	Cost or Other Basis	\$ 54,579.02
1g	Adjustments	\$ 0.00
4	FEDERAL INCOME TAX WITHHELD	\$ 0.00
8	Profit (Loss) This Calendar Year	\$ 0.00
9	Unrealized Profit (Loss) Last Year	\$ 0.00
10	Unrealized Profit (Loss) This Year	\$ 0.00
11	Aggregate Profit (Loss)	\$ 0.00
13	Bartering	\$ 0.00
16	STATE TAX WITHHELD	\$ 0.00

2nd TIN Notice : No

THIS IS IMPORTANT TAX INFORMATION AND IS BEING FURNISHED TO THE INTERNAL REVENUE SERVICE. IF YOU ARE REQUIRED TO FILE A RETURN, A NEGLIGENCE PENALTY OR OTHER SANCTION MAY BE IMPOSED ON YOU IF THIS INCOME IS TAXABLE AND THE IRS DETERMINES THAT IT HAS NOT BEEN REPORTED.