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Return of Private Foundation

Department of the Treasury
Internal Revenue Service

or Section 4947(a)(1) Trust Treated as Private Foundation
Do not enter social security numbers on this form as it may be made public.

2014

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
Quanex Foundation

Number and street (or P O box number if mail is not delivered to street address) Room/suite
1800 West Loop South 1500

City or town, state or province, country, and ZIP or foreign postal code
Houston, TX 77027

A Employer identification number
36-6065490

B Telephone number (see instructions)
713-961-4600

C If exemption application is pending, check here

D 1 Foreign organizations, check here
2 Foreign organizations meeting the 85% test, check here and attach computation

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

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

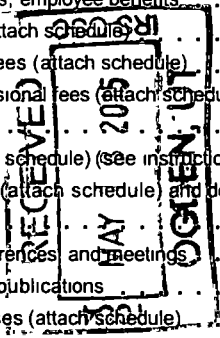
G Check all that apply: Initial return Initial return of a former public charity
 Final return Amended return
 Address change Name change

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) **\$ 8,040,317.00**

J Accounting method Cash Accrual
 Other (specify) _____

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 <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	3.00	3.00		
	4 Dividends and interest from securities	455,511.00	455,511.00		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	790,343.00			
	b Gross sales price for all assets on line 6a 2,636,007.00				
	7 Capital gain net income (from Part IV, line 2)		790,343.00		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	1,245,857.00	1,245,857.00			
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)				
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	24,917.00			
	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	24,917.00			
	25 Contributions, gifts, grants paid	365,381.00			365,381.00
26 Total expenses and disbursements. Add lines 24 and 25	390,298.00			365,381.00	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	855,559.00				
b Net Investment Income (if negative, enter -0-)		1,245,857.00			
c Adjusted net income (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	174,829.00	337,793.00	337,793.00
	2 Savings and temporary cash investments			
	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			
	10 a Investments - U S and state government obligations (attach schedule)			
	b Investments - corporate stock (attach schedule)	4,505,564.00	5,166,129.00	7,702,524.00
	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)			
	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)	4,680,393.00	5,503,922.00	8,040,317.00	
Liabilities	17 Accounts payable and accrued expenses	5,466.00	14,918.00	
	18 Grants payable	90,710.00	49,228.00	
	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)	96,176.00	64,146.00		
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, . . . ▶ <input type="checkbox"/> check here and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
30 Total net assets or fund balances (see instructions)	4,584,217.00	5,439,776.00		
31 Total liabilities and net assets/fund balances (see instructions)	4,680,393.00	5,503,922.00		

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	4,584,217.00
2 Enter amount from Part I, line 27a	2	855,559.00
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	5,439,776.00
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	5,439,776.00

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 SCHWAB EQUITY FUNDS				P	VARIOUS	VARIOUS
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 2,636,007.00		1,845,664.00	790,343.00			
b						
c						
d						
e						
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) 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			790,343.00			
b						
c						
d						
e						
2 Capital gain net income or (net capital loss)			2	790,343.00		
{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }						
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)			3			
If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8						

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

(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))
2013			
2012			
2011			
2010			
2009			
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 7,939,241.84
5 Multiply line 4 by line 3			5
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 12,458.57
7 Add lines 5 and 6			7 12,458.57
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			8 365,381.00

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary - see instructions)	}	1	24,917.00
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b			
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	
3 Add lines 1 and 2		3	24,917.00
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	
5 Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-		5	24,917.00
6 Credits/Payments			
a 2014 estimated tax payments and 2013 overpayment credited to 2014.	6a		20,000.00
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	20,000.00
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached		8	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed		9	4,917.00
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 <input type="checkbox"/> Refunded <input type="checkbox"/>		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)? <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>		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 <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
2 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>		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? <i>If "Yes," attach a conformed copy of the changes</i>		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?		X
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>		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? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> TEXAS		
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>	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)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		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).			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).			X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶	X		
14	The books are in care of ▶ QUANEX BUILDING PRODUCTS CORPORATION Telephone no ▶ 713-961-4600 Located at ▶ 1800 WEST LOOP SOUTH, SUITE 1500 HOUSTON, TEXAS ZIP+4 ▶ 77027			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ▶ <input type="checkbox"/> 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 the instructions for exceptions and filing requirements for FinCEN Form 114, (formerly TD F 90-221) if "Yes," enter the name of the foreign country ▶		Yes	No
		16		X

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? <input type="checkbox"/> Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	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 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions)	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 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	
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)? **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? Yes No

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

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

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No **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
KEVIN P. DELANEY 1800 WEST LOOP SOUTH #1500 HOUSTON, TX 77027	PRESIDENT 0	0.00	0.00	0.00
BRENT L. KORB 1800 WEST LOOP SOUTH #1500 HOUSTON, TX 77027	VP 0	0.00	0.00	0.00

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 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 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	7,803,848.00
b	Average of monthly cash balances	1b	256,296.00
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	8,060,144.00
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	8,060,144.00
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	120,902.16
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	7,939,241.84
6	Minimum investment return. Enter 5% of line 5	6	396,962.09

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	396,962.09
2a	Tax on investment income for 2014 from Part VI, line 5	2a	24,917.00
b	Income tax for 2014 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	24,917.00
3	Distributable amount before adjustments Subtract line 2c from line 1	3	372,045.09
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	372,045.09
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	372,045.09

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	365,381.00
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	365,381.00
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	365,381.00

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				372,045.09
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only			35,291.32	
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 ▶ \$ <u>365,381.00</u>				
a Applied to 2013, but not more than line 2a			35,291.32	
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				330,089.68
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, 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 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				41,955.41
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)

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2014, enter the date of the ruling N/A

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

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

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

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

NONE

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

NONE

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

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

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

QUANEX BUILDING PRODUCTS CORP, 1800 WEST LOOP SOUTH, SUITE 1500, HOUSTON, TX 77027 713-961-4600

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

ANY FORMAT

c Any submission deadlines

OCTOBER 31

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

NONE

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE ATTACHED SCHEDULE				365,381.00
Total				3a 365,381.00
b Approved for future payment				
Total				3b

**THE QUANEX FOUNDATION
INVESTMENT PORTFOLIO**

DECEMBER 31, 2014

	PRINCIPAL AMOUNT OR SHARES	BOOK VALUE	MARKET VALUE
Pimco Total Return FD	0.000	0.00	\$ -
T. Rowe Price High Yield FD	89,401.992	\$ 471,101.07	\$ 606,145.51
Vanguard Inflation Protected Secs	23,668.466	\$ 570,892.98	\$ 612,303.22
Vanguard ST BD Index Signal	30,872.771	\$ 325,008.23	\$ 323,546.64
Metropolitan West	74,834.715	\$ 815,049.95	\$ 815,698.39
Allianz NFJ Small Cap Value FD	14,694.378	\$ 223,243.61	\$ 408,650.65
American Europacific Growth FD	21,718.602	\$ 1,089,907.24	\$ 1,021,208.67
American FD	32,893.865	\$ 571,897.33	\$ 1,401,278.65
Baron Growth FD	7,877.271	\$ 208,385.50	\$ 569,290.38
Dodge & Cox FD	8,516.710	\$ 480,592.45	\$ 1,541,013.51
DFA Global Property Inst.	38,601.700	\$ 410,049.95	\$ 403,387.77
EII Global Property Trust	0.000	\$ -	\$ -
Thornburg Intl Value FD	0.000	\$ 0.00	\$ -
Total Investment Portfolio	343,080.470	\$ 5,166,128.31	\$ 7,702,523.39

DECEMBER 31, 2013

	PRINCIPAL AMOUNT OR SHARES	BOOK VALUE	MARKET VALUE
Pimco Total Return FD	82,776.478	\$ 738,394.13	\$ 766,102.77
T. Rowe Price High Yield FD	77,728.712	\$ 453,473.99	\$ 626,803.31
Vanguard Inflation Protected Secs	18,386.917	\$ 562,173.78	\$ 598,412.35
Vanguard ST BD Index Signal	0.000	\$ 306,619.98	\$ 305,696.37
Metropolitan West	0.000	\$ -	\$ -
Allianz NFJ Small Cap Value FD	15,240.980	\$ 223,243.61	\$ 516,801.27
American Europacific Growth FD	0.000	\$ -	\$ -
American FD	39,204.010	\$ 605,188.37	\$ 1,495,032.42
Baron Growth FD	9,050.407	\$ 193,562.76	\$ 565,528.35
Dodge & Cox FD	11,119.440	\$ 530,439.97	\$ 1,622,329.87
DFA Global Property Trust	0.000	\$ -	\$ -
EII Global Property Trust	19,069.450	\$ 352,956.80	\$ 375,418.37
Thornburg Intl Value FD	30,771.390	\$ 539,509.53	\$ 1,033,047.84
Total Investment Portfolio	303,347.784	\$ 4,505,562.92	\$ 7,905,172.92

Quanex Foundation Check Detail

January through December 2014

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Purpose</u>	<u>Original Amount</u>
1848	01/16/2014	Lifehouse of Houston	Health/Welfare	-10,000.00
1849	01/29/2014	The Honorable Order of Kentucky Colonels	Civic	-100.00
1850	01/29/2014	University of the Cumberlands	Education	-500.00
1851	01/29/2014	Muscular Dystrophy Assoc - OH	Health/Welfare	-1,000.00
1852	01/29/2014	Houston Food Bank	Civic	-40.00
1853	01/29/2014	American Cancer Society - IL	Health/Welfare	-75.00
1854	01/29/2014	Baylor University	Education	-500.00
1855	01/29/2014	Pan American Round Table of Houston	Education	-700.00
1856	01/29/2014	William R Minor Foundation	Other	-250.00
1857	01/29/2014	Joyce Meyer Ministries Inc	Health/Welfare	-25.00
1858	01/29/2014	UW-Eau Claire Foundation	Education	-200.00
1859	01/29/2014	Shriners Hospitals for Children	Health/Welfare	-100.00
1860	01/29/2014	American Cancer Society- OK	Health/Welfare	-100.00
1861	01/29/2014	Fort Bend Christian Academy	Education	-250.00
1862	01/29/2014	United Way of King County	Health/Welfare	-1,060.00
1863	01/29/2014	St.Vincent de Paul	Health/Welfare	-25.00
1864	01/29/2014	Nativity House	Other	-25.00
1865	01/29/2014	Disabled American Veterans	Health/Welfare	-75.00
1866	01/29/2014	March of Dimes	Health/Welfare	-100.00
1867	01/29/2014	American Cancer Society - IL	Health/Welfare	-50.00
1868	01/29/2014	Covenant House	Civic	-25.00
1869	02/04/2014	Houston Livestock Show and Rodeo	Education	-18,000.00
1870	03/27/2014	St Jude Children's Research Hospital	Health/Welfare	-1,000.00
1871	03/27/2014	Bible Study Fellowship	Civic	-1,000.00
1872	03/27/2014	Laurel School	Education	-100.00
1873	03/27/2014	American Red Cross of Greater Chicago	Health/Welfare	-150.00
1874	03/27/2014	21st CENTURY FUND	Education	-25.00
1875	03/27/2014	The Smile Train	Health/Welfare	-25.00
1876	03/27/2014	International Messengers	Civic	-1,000.00
1877	03/27/2014	THE SALVATION ARMY	Health/Welfare	-100.00
1878	03/27/2014	St. Ambrose University	Education	-2,000.00
1879	03/27/2014	Wycliffe Bible Translators	Civic	-1,000.00
1880	03/27/2014	American Cancer Society - WI p2	Health/Welfare	-50.00
1881	03/27/2014	University Hospitals	Health/Welfare	-2,000.00
1882	03/27/2014	Diocese of Superior	Health/Welfare	-100.00
1883	03/27/2014	The Chehalis Foundation	Other	-2,000.00
1884	03/27/2014	Texas State University	Education	-100.00
1885	03/27/2014	Discovery VPO	Health/Welfare	-214.00
1886	03/27/2014	Biblical Ministries Worldwide	Health/Welfare	-1,000.00
1887	04/17/2014	Seattle Children's Hosp Foundation	Health/Welfare	-40.00
1888	04/17/2014	McDonell Central High School	Education	-250.00
1889	04/17/2014	St Jude Children's Research Hospital	Health/Welfare	-758.00
1890	04/17/2014	Ruffing Montessori School	Education	-600.00
1891	04/17/2014	Eastern Kentucky University Foundation	Education	-20.00
1892	04/17/2014	University of South Dakota	Education	-50.00
1893	04/17/2014	Easter Seals Inc.	Civic	-25.00
1894	04/17/2014	Junior Achievement of the Heartland	Education	-210.00
1895	05/02/2014	Impact Player Partners	Civic	-375.00

Quanex Foundation Check Detail

January through December 2014

1896	05/28/2014	Bethal's Place	Civic	-394.23
1897	05/28/2014	Epilepsy Foundation of Western WI	Health/Welfare	-50.00
1898	05/28/2014	National Multiple Sclerosis Society	Health/Welfare	-150.00
1899	05/28/2014	American Heart Association - CA	Health/Welfare	-135.00
1900	05/28/2014	American Cancer Society-WI	Health/Welfare	-285.00
1901	05/28/2014	American Heart Association	Health/Welfare	-25.00
1902	05/28/2014	Muscular Dystrophy Assoc - OH	Health/Welfare	-1,000.00
1903	05/28/2014	Planned Parenthood Federation of America	Health/Welfare	-100.00
1904	05/28/2014	American Cancer Society-WA	Health/Welfare	-140.00
1905	05/28/2014	American Cancer Society - IL	Health/Welfare	-200.00
1906	08/13/2014	University Hospitals	Health/Welfare	-1,000.00
1907	09/05/2014	Susan G Komen for the Cure Houston	Health/Welfare	-700.00
1908	09/05/2014	American Cancer Society - IL	Health/Welfare	-200.00
1909	09/05/2014	American Heart Association - MO	Health/Welfare	-50.00
1910	09/05/2014	Children's Organ Transplant Association	Health/Welfare	-100.00
1911	09/05/2014	The University of Iowa Foundation	Education	-500.00
1912	09/05/2014	Gillette Childrens Specialty Healthcare	Health/Welfare	-50.00
1913	09/05/2014	Bellarmino Preparatory School	Education	-25.00
1914	10/08/2014	National Merit Scholarship Corp	Education	-6,830.00
1915	10/20/2014	The Chehalis Foundation	Other	-17,500.00
1916	10/20/2014	Centralia College Foundation	Education	-7,500.00
1917	10/20/2014	Lydia Home Association	Civic	-2,500.00
1918	10/20/2014	Northern Illinois Food Bank	Health/Welfare	-2,500.00
1919	10/20/2014	Pediatric Interim Care Center	Health/Welfare	-5,000.00
1920	10/20/2014	American Red Cross - WA	Health/Welfare	-2,500.00
1921	10/20/2014	Union Gospel Mission	Civic	-2,500.00
1922	10/20/2014	American Red Cross - Daniel Boone Chapter	Health/Welfare	-2,000.00
1923	10/20/2014	Humane Society- KY	Health/Welfare	-1,000.00
1924	10/20/2014	YMCA - Cambridge, OH	Civic	-10,000.00
1925	10/20/2014	Church of the Risen Christ	Health/Welfare	-3,000.00
1926	10/20/2014	United Way of Guernsey & Noble Counties	Civic	-6,000.00
1927	10/20/2014	Chatsworth Fire District C2	Civic	-1,000.00
1928	10/20/2014	S.E.L.C.A.S. Ambulance	Health/Welfare	-1,000.00
1929	10/20/2014	Boys & Girls Club of Prairie Central	Education	-1,000.00
1932	10/20/2014	WITC Foundation Inc	Other	-2,500.00
1933	10/20/2014	Courage Center	Health/Welfare	-2,000.00
1934	10/20/2014	Spring Lake Park Fire Department	Civic	-1,000.00
1935	10/20/2014	Minneapolis Heart Institute Foundation	Health/Welfare	-1,500.00
1937	10/20/2014	PKD Foundation	Health/Welfare	-1,000.00
1938	10/20/2014	Luck Fire Department	Civic	-1,000.00
1939	10/20/2014	North Land Municipal Ambulance, Inc.	Civic	-1,000.00
1940	10/20/2014	Northwoods Homeless Shelters	Health/Welfare	-1,000.00
1941	10/20/2014	Independent Living Center	Health/Welfare	-1,000.00
1942	10/20/2014	Boys & Girls Club of Wayne County	Civic	-1,000.00
1943	10/20/2014	Opening Doors	Other	-1,000.00
1944	10/20/2014	Junior Leadership Gurensey	Civic	-3,000.00
1945	10/20/2014	Hospice of Tuscarawas County	Health/Welfare	-3,000.00
1946	10/20/2014	Special Olympics Kentucky, Inc	Health/Welfare	-2,000.00
1947	10/20/2014	United Way of Hunt County	Civic	-1,650.00
1948	10/20/2014	CASA for Hunt County	Civic	-1,650.00

Quanex Foundation
Check Detail
January through December 2014

1949	10/20/2014	Community Seeds	Civic	-1,650.00
1950	10/21/2014	Regions Hospital Foundatin- St Paul	Health/Welfare	-1,000.00
1951	10/21/2014	Wounded Warrior Project	Health/Welfare	-2,500.00
1952	10/21/2014	Dubuque Rescue Mission	Health/Welfare	-1,000.00
1953	10/22/2014	Susan G Komen for the Cure Houston	Health/Welfare	-525.00
1954	10/23/2014	Shawano Dollars for Scholars	Eduaction	-1,000.00
1955	10/23/2014	Bridge the Gap, Inc.	Other	-1,000.00
1956	10/20/2014	Anthony Garofalo Scholarship Fund	Education	-500.00
1957	10/20/2014	Rice Lake Area Scholarship Foundation Inc	Education	-1,000.00
1958	11/03/2014	Mustache Dache, LLC	Health/Welfare	-450.00
1959	11/06/2014	Buffalo Specialties Inc.	Other	-843.48
1960	12/10/2014	Movember	Health/Welfare	-990.00
1961	12/10/2014	Nature's Edge Therapy Center	Health/Welfare	-100.00
1962	12/10/2014	Mercy Corp	Health/Welfare	-30.00
1963	12/10/2014	St Vincent de Paul	Civic	-25.00
1964	12/10/2014	AIDS Project Los Angeles	Health/Welfare	-25.00
1965	12/10/2014	American Institute for Cancer Research	Health/Welfare	-30.00
1966	12/10/2014	UW-Eau Claire Foundation	Education	-100.00
1967	12/10/2014	Leap for Lupus Foundation	Health/Welfare	-400.00
1968	12/17/2014	Youth Reach Houston	Civic	-10,000.00
1969	12/17/2014	St Jude Children's Research Hospital	Health/Welfare	-10,000.00
1970	12/17/2014	Lifehouse of Houston	Health/Welfare	-10,000.00
1973	12/17/2014	Shriners Hospitals for Children-Houston	Health/Welfare	-10,000.00
1974	12/17/2014	Houston Food Bank	Civic	-50,000.00
1975	12/17/2014	MD Anderson Cancer Center	Health/Welfare	-50,000.00
1976	12/17/2014	Building Homes for Heroes	Health/Welfare	-50,000.00
1977	12/17/2014	Brentwood Community Foundation	Health/Welfare	-5,000.00
1978	12/17/2014	Brentwood Baptist Church	Health/Welfare	-5,000.00
1979	12/17/2014	Save the Children	Health/Welfare	-10,000.00
1981	12/17/2014	Golden Retriever Rescue of Houston	Health/Welfare	-2,500.00
1982	12/17/2014	National Multiple Sclerosis Society	Health/Welfare	-2,500.00
1983	12/18/2014	Ruffing Montessori School	Education	-150.00

Subtotal: -377,944.71

Plus Voided Checks from previous years:

1194	10/04/2011	Big Brother/Big Sisters		1,000.00
1222	11/18/2011	Cancer Support Service		20.00
1264	06/21/2012	Sacred Heart of Jesus		25.00
1311	08/29/2012	American Red Cross		2,500.00
1313	08/29/2012	Union Gospel Mission		2,500.00
1318	08/29/2012	Chatsworth Fire District C2		1,000.00
1342	09/20/2012	WITC Foundation Inc		2,500.00
1331	09/20/2012	Luck Fire Department		1,000.00
1343	09/20/2012	Rice Lake Area Scholarship Foundation Inc		1,000.00
1341	09/20/2012	Anthony Garofalo Scholarship Fund		1,000.00
1386	11/07/2012	American Cancer Society		20.00

Total with Voided Checks: -365,379.71