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Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

OMB No 1545-0052

2014

Open to Public Inspection

For calendar year 2014, or tax year beginning 01-01-2014 , and ending 12-31-2014

Name of foundation
HORNLEIN SCHOLARSHIP TRUST

A Employer identification number
71-6157456

Number and street (or P O box number if mail is not delivered to street address) PO BOX 1928 | Room/suite

B Telephone number (see instructions)
(870) 425-1890

City or town, state or province, country, and ZIP or foreign postal code
MOUNTAIN HOME, AR 72654

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)*▶$ 1,555,588

J Accounting method ☑ Cash ☐ Accrual ☐ Other (specify) ______
(Part I, column (d) must be on cash basis.)

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	8,540	2,552	8,540	
	4	Dividends and interest from securities	29,547	29,547	29,547	
	5a	Gross rents				
	b	Net rental income or (loss) ______				
	6a	Net gain or (loss) from sale of assets not on line 10	150,003			
	b	Gross sales price for all assets on line 6a 637,284				
	7	Capital gain net income (from Part IV, line 2)		47,351		
	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	188,090	79,450	38,087	
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)	1,182			
	c	Other professional fees (attach schedule)	39,625			
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	2,267			
	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	43,074	0		0
	25	Contributions, gifts, grants paid	116,265			116,265
	26	**Total expenses and disbursements.** Add lines 24 and 25	159,339	0		116,265
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	28,751			
	b	**Net investment income** (if negative, enter -0-)		79,450		
	c	**Adjusted net income** (if negative, enter -0-)			38,087	

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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets 1	Cash—non-interest-bearing			
2	Savings and temporary cash investments	115,115	46,465	46,465
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			
10a	Investments—U S and state government obligations (attach schedule)	167,875	180,544	186,105
b	Investments—corporate stock (attach schedule)			
c	Investments—corporate bonds (attach schedule)			
11	Investments—land, buildings, and equipment basis ▶ 70			
	Less accumulated depreciation (attach schedule) ▶	70	70	70
12	Investments—mortgage loans			
13	Investments—other (attach schedule)	1,198,872	1,283,604	1,322,948
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)	1,481,932	1,510,683	1,555,588
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	
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			
28	Paid-in or capital surplus, or land, bldg , and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds	1,481,932	1,510,683	
30	**Total net assets or fund balances** (see instructions)	1,481,932	1,510,683	
31	**Total liabilities and net assets/fund balances** (see instructions)	1,481,932	1,510,683	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,481,932
2	Enter amount from Part I, line 27a	2	28,751
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,510,683
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	1,510,683

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			

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

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

2	Capital gain net income or (net capital loss)	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	47,351
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 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))
2013	42,135	1,556,491	0 027071
2012	63,511	1,469,324	0 043225
2011	85,118	1,521,160	0 055956
2010	53,768	1,601,063	0 033583
2009	42,794	1,441,579	0 029686

2	**Total** of line 1, column (d)	2	0 189521
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 037904
4	Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	1,473,863
5	Multiply line 4 by line 3	5	55,865
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	795
7	Add lines 5 and 6	7	56,660
8	Enter qualifying distributions from Part XII, line 4	8	116,265

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 page 18 of the 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)**				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☑ and enter 1% of Part I, line 27b			1	795
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	795
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	795
6	Credits/Payments				
a	2014 estimated tax payments and 2013 overpayment credited to 2014	6a	1,592		
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	1,592
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	797
11	Enter the amount of line 10 to be **Credited to 2015 estimated tax** ▶ 797 **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?	1a		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)?	1b		No
	*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.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		No
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.*	2		No
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*	3	Yes	
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		No
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?	6	Yes	
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.*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ ______			
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*	8b	Yes	
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*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses.*	10		No

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

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		No
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶N/A

14 The books are in care of ▶JANET EVANS Telephone no ▶(870) 425-2101

Located at ▶502 S HICKORY MOUNTAIN HOME AR ZIP+4 ▶72653

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 |

			Yes	No
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?	16		No
	See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) If "Yes", enter the name of the foreign country ▶			

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

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

			Yes	No
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ **Yes** ☑ **No**			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ **Yes** ☑ **No**			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ **Yes** ☑ **No**			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ **Yes** ☑ **No**			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ **Yes** ☑ **No**			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ☐ **Yes** ☑ **No**			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
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		
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 instructions)	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ **Yes** ☑ **No**			
b	If "Yes," did it have excess business holdings in 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		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2014?	4b		No

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

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☑ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☑ No			
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 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?	**6b**		No
	If "Yes" to 6b, file Form 8870.			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☑ No			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	**7b**		

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

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

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
JANET EVANS P O BOX 1928 MOUNTAIN HOME, AR 72654	COMMITTEE ME 1 00	0	0	0
SANDY IRBY P O BOX 1928 MOUNTAIN HOME, AR 72654	COMMITTEE ME 1 00	0	0	0
BARBARA KOSS P O BOX 1928 MOUNTAIN HOME, AR 72654	COMMITTEE ME 1 00	0	0	0
SONIA RAND P O BOX 1928 MOUNTAIN HOME, AR 72653	COMMITTEE ME 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 ▶

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 DURING 2014, THERE WERE 73 FULL AND PARTIAL SCHOLARSHIPS AWARDED TO 73 QUALIFIED APPLICANTS	116,265
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	1,415,448
b	Average of monthly cash balances	1b	80,790
c	Fair market value of all other assets (see instructions)	1c	70
d	**Total** (add lines 1a, b, and c)	1d	1,496,308
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	1,496,308
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	22,445
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	1,473,863
6	**Minimum investment return.** Enter 5% of line 5	6	73,693

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	73,693
2a	Tax on investment income for 2014 from Part VI, line 5	2a	795		
b	Income tax for 2014 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	795
3	Distributable amount before adjustments Subtract line 2c from line 1			3	72,898
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	72,898
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	72,898

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	116,265
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	116,265
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	795
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	115,470

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				72,898
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only.			58,261	
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 ▶ $ 116,265				
a Applied to 2013, but not more than line 2a			58,261	
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.				58,004
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				14,894
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 organization is a private operating foundation described in section ☐ 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 organization had $5,000 or more in assets at any time during the year—see instructions.)

1 Information Regarding Foundation Managers:

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

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

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

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

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

INTEGRITY FIRST BANK
P O BOX 1928
MOUNTAIN HOME,AR 72653
(870) 425-1801

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

GENERAL INFORMATION ABOUT THE APPLICANT, OTHER SCHOLARSHIPS AND AMOUNTS, FINANCIAL STATEMENT, CURRENT INCOME TAX RETURN, TRANSCRIPT, A LETTER OF RECOMMENDATION, ACT AND SAT SCORES

c Any submission deadlines

JANUARY 1 TO MARCH 30 OF THE YEAR THE SCHOLARSHIP IS AWARDED FOR

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

GRADUATE OF MOUNTAIN HOME HIGH SCHOOL, MOUNTAIN HOME, ARKANSAS, AND ACCEPTED BY COLLEGE, UNIVERSITY, VO-TECH, OR OTHER SCHOOL DESCRIBED IN IRC 170(B)(1)(A)(II) AS A CANDIDATE FOR A CERTIFICATE OR UNDERGRADUATE OR GRADUATE DEGREE, FULL OR PART TIME AT AN INSTITUTION LOCATED WITHIN THE CONTINENTAL USA SELECTIONS BASED ON FINANCIAL NEED, CHARACTER, AND SCHOLASTIC ABILITY

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 Additional Data Table				
Total . . . . ▶ **3a**				116,265
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

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	2,552	5,988
4 Dividends and interest from securities. . . .			14	29,547	
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					150,003
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory. .					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e). .				32,099	155,991

13 Total. Add line 12, columns (b), (d), and (e). **13** 188,090

(See worksheet in line 13 instructions to verify calculations)

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

Line No.	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)
8	GAIN ON SALE OF INVESTMENTS HELD FOR SCHOLARSHIP FUNDING

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

		Yes	No
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?			
a Transfers from the reporting foundation to a noncharitable exempt organization of			
(1) Cash.	1a(1)		No
(2) Other assets.	1a(2)		No
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization.	1b(1)		No
(2) Purchases of assets from a noncharitable exempt organization.	1b(2)		No
(3) Rental of facilities, equipment, or other assets.	1b(3)		No
(4) Reimbursement arrangements.	1b(4)		No
(5) Loans or loan guarantees.	1b(5)		No
(6) Performance of services or membership or fundraising solicitations.	1b(6)		No
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.	1c		No

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

(a) Line No	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

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

b If "Yes," complete the following schedule

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

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

****** | 2015-05-14 | ******

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed	PTIN
PATRICK C BALLARD		2015-05-14	☐	P00546354

Firm's name ▶ BALLARD & COMPANY LTD CPA'S

Firm's EIN ▶ 71-0634113

Firm's address ▶ 210 E 7TH ST STE 2 MOUNTAIN HOME, AR 72653

Phone no (870) 425-6256

Form 990PF Part XV Line 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*				
ADRIAN HUBBARD 13111 W MARKHAM ST APT 79 LITTLE ROCK, AR 72211			EDUCATIONAL SCHOLARSHIP	3,285
ALEKSANDRA KOCHUROVA 330 HIDDEN BALLEY DR MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	525
ALEXANDRIA WALKER 2013 OSAGE LN MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	2,660
AMELIA GARRETT P O BOX 861 MOUNTAIN HOME, AR 72654			EDUCATIONAL SCHOLARSHIP	760
ANDREA MELTON 80 STONEHEDGE DR MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	1,330
ANNIE SYKES 105 CYPRESS CIRCLE MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	275
ASHLEE SUTTERFIELD 2263 TUCKER CEMETERY ROAD GASSVILLE, AR 72653			EDUCATIONAL SCHOLARSHIP	1,130
AUSTIN COTTER 165 CONFEDERATE CIRCLE MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	1,235
BLAIR BROZYNSKI 58 BOWERS LN MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	1,140
BLAKE GRIFFIN 4281 HWY 201 S MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	1,105
BRANDY COOPER 1112 BROOKFOREST DRIVE MOUINTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	3,065
BRIANA KOENEN 1319 HWY 178W MIDWAY, AR 72651			EDUCATIONAL SCHOLARSHIP	550
BRIANA LEONARD 1100 DELWOOD LN MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	2,185
BRIANA RALEY 324 CYPRESS LANE MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	2,280
BRITTANY KOENEN 1319 HWY 178W MIDWAY, AR 72651			EDUCATIONAL SCHOLARSHIP	1,455
Total . . . . ▶ **3a**				116,265

Form 990PF Part XV Line 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*				
CADE GATEWOOD 102 LOLA LANE BULL SHOALS,AR 72619			EDUCATIONAL SCHOLARSHIP	1,035
CAMERON RYAN 1108 BLUEBIRD LN MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	450
CLAIRE ENESS 573 CR 123 OAKLAND,AR 72661			EDUCATIONAL SCHOLARSHIP	450
DANIEL PEVRIL 2306 WILDCAT SHOALS ROAD GASSVILLE,AR 72635			EDUCATIONAL SCHOLARSHIP	1,035
DOMINIQUE CROW 42 CR 610 MOUNTAINHOME,AR 72653			EDUCATIONAL SCHOLARSHIP	625
DEVIN JEFFERSON 321 S COLLEGE ST MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	3,310
ELIZABETH UNDERWOOD 425 ASHINGTON DR MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	2,355
FORREST OTT 273 SILVER FOX TRL GAMALIEL,AR 72537			EDUCATIONAL SCHOLARSHIP	1,685
GLORIA BELL P O BOX 174 CLARKRIDGE,AR 72623			EDUCATIONAL SCHOLARSHIP	3,355
HANNAH TODD 60 CR 639 MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	1,655
HARRISON BLUME 1112 BROOKFOREST DR MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	2,660
HAYLEY KNIGHT 18 WINDY DRIVE MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	465
HEATHER PYSZKA 126 CLEMENTS DR MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	855
JACK GUO 140 MAGNOLIA CT MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	1,805
JAMES GENTRY 1107 MCCLURE LN MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	2,185
Total . . . . ▶ **3a**				116,265

Form 990PF Part XV Line 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*				
JAMES STONE 1355 NEWTS ROAD MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	665
JARED WILSON 711 E 8TH ST MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	475
JASMINE TRAYLOR 184 CR 484 MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	375
JENNA KUCGINSKI 1905 VAN BUREN AVE MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	375
JENNIFER WELLS 149 WESTCOTT DR MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	2,785
JESSI CARUSO 26 OLD SPRINGS DR MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	665
JESSICA COTTER 115 CR 546 MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	3,140
JESSICA ECKBERG 1508 MANOR ST MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	1,660
JOEL MEDLEY 296 TUCKER CEMETERY RD MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	950
JOSEPH COLTON 2351 CR 57 MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	3,380
KADEN HARRIS 237 RD 1431 MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	1,330
KASEY HUTSON 818 BROADMOOR DR MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	1,140
KAT BINNS 47 CR 25 MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	2,755
KATIE PAUL 416 CANNIE BAKER ROAD MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	300
KAYCEE GRISSUM P O BOX 2606 MOUNTAIN HOME, AR 72653			EDUCATIONAL SCHOLARSHIP	855
Total . . . . ▶ **3a**				116,265

Form 990PF Part XV Line 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*				
KAYLEE WEDGEWORTH 1108 WAVERLY ROAD MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	1,515
KELLY RILEY 98 CHAPERAL DR MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	2,710
KELSEY CARPENTER 712 OHIO AVE MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	2,755
KEVIN JEFFERSON 321 S COLLEGE ST MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	3,285
KYLE STEPHENS 80 BLUE JAY LN MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	1,330
LARRY BIRD 6938 HWY 126N MIDWAY,AR 72651			EDUCATIONAL SCHOLARSHIP	300
LAUREN REDING 31 S BATTLEFIELD MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	855
MADISON HARNED 103 WOODSDALE CT MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	2,905
MAKENNA SEATS 2397 CR 25 MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	1,160
MARIE KRESSIN 393 CR 397 MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	300
MATTHEW LUKAC 392 PIONEER TRIAL DR MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	400
MEGAN CANTRELL 1917 JOHNS DRIVE MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	3,285
MICHAEL WEHMEYER 1440 CHRISTENSEN RD MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	760
NATHAN COOPER 1112 BROOKFOREST DR MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	3,135
NICHOLAS WILHITE 337 ARKANSAS AVE MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	855
Total . . . . ▶ **3a**				116,265

Form 990PF Part XV Line 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*				
PAYTEN FRUNZI 1512 THISTLEDOWN MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	375
RYAN ROSE 139 CR 96 CLARKRIDGE,AR 72623			EDUCATIONAL SCHOLARSHIP	1,280
SARA BANTER 7420 HWY 201N MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	855
SARA ROSS 1104 KERR ST MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	1,330
SAVANNAH WOOD 2016 GREGG RD MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	2,830
SHEA CRAWFORD 552 CR 420 MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	250
SKIVER TRIBBLE 1731 MISTLETOE MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	2,660
STEVEN SWITZER 91 TOWN PARK WAY MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	2,280
TESS RUSSELL 14685 HWY 62 E HENDERSON,AR 72544			EDUCATIONAL SCHOLARSHIP	2,565
TREVOR BAUGH 6021 CR 25 MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	1,580
VALORY ZORTMAN 217 SYCAMORE SPRINGS CIRC MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	3,330
WILLIAM FLETCHER 329 BAXTER AVE MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	2,520
WILLIAM WEHMEYER 392 PIONEER TRAIL DR MOUNTAIN HOME,AR 72653			EDUCATIONAL SCHOLARSHIP	1,105
Total . . . . ▶ **3a**				116,265

TY 2014 Accounting Fees Schedule

Name: HORNLEIN SCHOLARSHIP TRUST

EIN: 71-6157456

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INDIRECT ACCOUNTING FEES	1,182			

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

TY 2014 Gain/Loss from Sale of Other Assets Schedule

Name: HORNLEIN SCHOLARSHIP TRUST

EIN: 71-6157456

Name	Date Acquired	How Acquired	Date Sold	Purchaser Name	Gross Sales Price	Basis	Basis Method	Sales Expenses	Total (net)	Accumulated Depreciation
ASTON/TAMRO SMALL CAP	2013-11	PURCHASE	2014-12		25,160	27,200			-2,040	
AMER AMCAP FUND	2011-01	PURCHASE	2014-12		40,000	27,521			12,479	
AMER BALANCED FUND	2012-09	PURCHASE	2014-04		106,481	82,191			24,290	
AMER CAPITAL INC BLDER FD	2012-12	PURCHASE	2014-06		52,838	45,773			7,065	
AMER EUROPACIFIC GRTH FD	2011-01	PURCHASE	2014-04		17,705	15,005			2,700	
AMER FUNDAMENTAL INV FD	2011-01	PURCHASE	2014-06		90,833	64,829			26,004	
PIMCO YEAR	2013-11	PURCHASE	2014-11		72,868	74,555			-1,687	
VNGRD TAX MINGD SM CAP FD	2013-03	PURCHASE	2014-12		53,205	36,301			16,904	
AMER WASH MUTUAL FD	2011-01	PURCHASE	2014-12		40,000	26,325			13,675	
BAXTER CO HOSPITAL	2012-09	PURCHASE	2014-04		30,243	25,818			4,425	
CONWAY AR SCH DIST	2011-10	PURCHASE	2014-04		25,288	24,833			455	
LITTLE ROCK AR SCH DIST	2013-01	PURCHASE	2014-10		25,312	26,680			-1,368	
ROGERS AR SALES & USE	2011-12	PURCHASE	2014-11		10,000	10,250			-250	

TY 2014 Investments Government Obligations Schedule

Name:	HORNLEIN SCHOLARSHIP TRUST
EIN:	71-6157456
US Government Securities - End of Year Book Value:	180,544
US Government Securities - End of Year Fair Market Value:	186,105
State & Local Government Securities - End of Year Book Value:	
State & Local Government Securities - End of Year Fair Market Value:	

TY 2014 Investments - Land Schedule

Name: HORNLEIN SCHOLARSHIP TRUST

EIN: 71-6157456

Category/ Item	Cost/Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
	70		70	70

TY 2014 Investments - Other Schedule

Name: HORNLEIN SCHOLARSHIP TRUST

EIN: 71-6157456

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
MUTUAL FUNDS	AT COST	1,283,604	1,322,948

TY 2014 Other Professional Fees Schedule

Name: HORNLEIN SCHOLARSHIP TRUST

EIN: 71-6157456

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FIDUCIARY FEES	39,118			
OTHER EXPENSE	507			

TY 2014 Taxes Schedule

Name: HORNLEIN SCHOLARSHIP TRUST

EIN: 71-6157456

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FEDERAL INCOME TAX	2,267			

I, Janet Evans, Vice President & Trust Officer of the Fredrick H. and Kathleen H. Hornlein Educational Trust, do hereby certify that the attached Hornlein Scholarship Booklet, updated August 22, 2013, constitutes the approved guidelines for the Hornlein Scholarship funded by the Frederick H. and Kathleen and Hornlein Educational Trust. The updated booklet includes two minor changes to the guidelines which serve to (1) modify the scholarship disbursement frequency (from twice annually to once annually), and (2) require that only the applicant's federal income tax return be submitted to show financial need (instead of both the return and a signed financial statement, which applicants found confusing in the past). The changes do not in any way alter the financial need criteria of the scholarship or the overall purpose of the Education Trust. These changes serve to help the foundation carry out its exempt purposes more efficiently by granting scholarships to the most worthy candidates.

Integrity First Bank, N.A.

By: Janet Evans
Janet Evans, VP & Trust Officer

Date: 3/26/15

THE HORNLEIN SCHOLARSHIP BOOKLET

THE FREDERICK H. AND KATHLEEN H. HORNLEIN EDUCATIONAL TRUST

OVERVIEW

The Hornlein Scholarship was created and funded by the estate of Frederick and Kathleen Hornlein in 1993 They established Integrity First Bank as Trustee of the Frederick H. and Kathleen M. Hornlein Educational Trust. The Trust will be administered by the Trustee in accordance with the terms of the Will and the information set out in this booklet

Only students who have attended Mountain Home High School, (MHHS) in Mountain Home, Arkansas, are eligible for the scholarship. This includes students who attended MHHS and later received their G.E.D. or graduated from another high school.

Must be a full-time student. Scholarships are awarded for one year at a time and may be re-applied for each year.

Applications are available online at **www.goifb.com** and will be accepted between January 1st and March 31st each year. Recipients of scholarship awards will be notified by the end of May.

The deadline is March 31st. If the deadline falls on a weekend or bank holiday, it will be extended to the next business day.

The Trustee must receive the application and all other required information by the close of their business day whether mailed or hand-delivered. Documents postmarked but not received on that date will not be considered.

Late or incomplete information will not be considered.

If you have any questions, please call Integrity First Bank Trust & Wealth Management Services at 870-425-1801, or write to the Trustee.

Please send completed and signed application along with the other required information to the following address:

For regular mail:

Integrity First Bank
Hornlein Scholarship
P.O. Box 1928
Mountain Home, AR 72654-1928

For hand-delivered or overnight packages.

Integrity First Bank
Hornlein Scholarship
502 S. Hickory
Mountain Home, AR 72653

Guidelines for the Hornlein Scholarship

ELIGIBILITY

To be eligible for the award of a scholarship, an applicant must meet the following criteria

- Must have attended Mountain Home High School in Mountain Home Arkansas;
- Must be admitted to a college, university, vocational-technical school or other school described in section 170(b)(1)(A)(ii) of the Internal Revenue Code as a candidate for a certificate or an undergraduate or graduate degree, on a full-time basis The college, university, vocational-technical school or other school must be an institution located within the continental United States.

SELECTION CRITERIA

Applicants shall be ranked based on:

- Financial need;
- Character; and
- Scholastic ability

Financial need is determined based on the applicant's most recent Federal Individual Income Tax Return (Form 1040) If the applicant is claimed as a dependent by another person(s), a copy of their most recent Federal Individual Income Tax Return is required.

Character will be demonstrated by a signed letter from the applicant, providing information about yourself and your need for this scholarship Also, two signed character reference letters from persons other than family members

Scholastic ability will be measured by high school grade point average in the pre-collegiate core curriculum from a current official transcript, and ACT or SAT scores, or, if currently attending college, by a current official transcript from the college or university.

Minimum standards:

- for graduating high school seniors, a high school grade point average of 2.5 (based on grades 9, 10, 11, and 12 in the pre-collegiate core curriculum), an ACT composite score of 20 or SAT combined score of 780,
- for applicants currently attending or returning to college, an overall grade point average of 2.0 (on a 4 0 scale);
- for persons attending vocational-technical schools or other post-high school educational institutions will be developed by the Trustee, as needed.

The Trustee will evaluate each applicant based primarily upon the criteria set forth. The ultimate selection of recipients and the amount of such scholarships will be made by the Trustee in its sole and absolute discretion.

NEW APPLICATIONS

Each applicant for a scholarship must submit a Hornlein Application to the Trustee no later than March 31st. **The following information must be included with the completed application, available online at www.goifb.com:**

- **New Applicants**
  - copy of applicant's most recent Federal Income Tax Return (Form 1040) or a copy of the most recent Federal Income Tax Return of the person(s) who claims you as a dependent for federal income tax purposes;
  - signed letter from applicant providing information about yourself and your need for this scholarship,
  - two signed character reference letters from persons other than family members

AND

- **Graduating High School Seniors**
  - current official high school transcript and ACT or SAT test scores. If graduating from another school, proof of attendance at Mountain Home High School is also required.
- **Current College Students**
  - current official college transcript and proof of attendance at Mountain Home High School (if first-time applicant).
- **Non-Traditional or students returning after a break in education**
  - proof of attendance at Mountain Home High School, and most recent official high school transcript or college transcript, and ACT or SAT test scores, if applicable

RE-APPLICATIONS

Scholarships are awarded for one year at a time. Recipients who wish to re-apply must submit a Hornlein Re-Application to the Trustee no later than March 31st. **The following information must be included with the completed re-application, available online at www.goifb.com:**

- **Re-Applicants (Current Recipients Only)**
  - copy of applicant's most recent Federal Income Tax Return (Form 1040) or a copy of the most recent Federal Income Tax Return of the person(s) who claims you as a dependent for federal income tax purposes;
  - signed letter from applicant providing information about yourself and your need for this scholarship;
  - current official college transcript.

In order to be considered for additional scholarship awards, the recipient must be classified as a full-time student and maintain at least an overall 2.0 grade point average (on a 4.0 scale) or the minimum academic standards of the school the recipient is attending.

PAYMENT POLICIES AND PROCEDURES

Scholarships may pay for tuition, room and board, required books, special fees for courses and school fees for activities, in full or in part. No portion of an award may be used to pay for dropped classes or any penalty fee.

Before the scholarship payment is disbursed, the Trustee must receive the following:

- Proof of enrollment showing full-time status by a copy of your current class schedule or an official letter from the school. All information must contain the school name and student's name printed on the documents.

The annual scholarship will be distributed in one payment. Whenever possible, the Trustee will make scholarship payment directly to the recipient's school.

REIMBURSEMENT RESPONSIBILITY

Recipients who fail to complete any course of study for which the scholarship payment has been made will be required to reimburse the trust. Any refunds due to dropped classes or terminated enrollment will be paid to the trust and not to the student. Any recipient who fails to make repayment to the trust will be denied future assistance and the Trustee shall take all reasonable measures to recover all funds not spent for the purposes for which they were awarded. Legal action may be initiated against the recipient when appropriate.

OTHER RULES

It is impossible to cover every circumstance that arises and the Trustee will be glad to discuss any unusual circumstances or requests. All decisions of the Trustee are final and binding

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