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Form 990-PF

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

2014

Open to Public
Inspection

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

Name of foundation THE CHARLES C MATTHEWS FOUNDATION		A Employer identification number 75-2741045
Number and street (or P O box number if mail is not delivered to street address) PO BOX 427		B Telephone number (see instructions) (903) 693-7837
City or town, state or province, country, and ZIP or foreign postal code CARTHAGE, TX 75633		
G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		C If exemption application is pending, check here ► <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1. Foreign organizations, check here ► <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation ► <input type="checkbox"/> E If private foundation status was terminated under section 507(b)(1)(A), check here ► <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 15,554,752	J Accounting method <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	(Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)				
	2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	533	533	533	
	4 Dividends and interest from securities.	399,255	241,641	399,255	
	5a Gross rents	7,000	7,000	7,000	
	b Net rental income or (loss) 7,000				
	6a Net gain or (loss) from sale of assets not on line 10	86,421			
	b Gross sales price for all assets on line 6a 1,349,248				
	7 Capital gain net income (from Part IV, line 2)		64,882		
	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)	790,304	790,304	790,304	
	12 Total. Add lines 1 through 11	1,283,513	1,104,360	1,197,092	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	234,000	93,600		
	14 Other employee salaries and wages	3,300			
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)	12,000	3,000		3,000
	b Accounting fees (attach schedule)	8,925	8,000		925
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	10,478	1,075		
	19 Depreciation (attach schedule) and depletion	31,841			
	20 Occupancy	4,408	1,763		
	21 Travel, conferences, and meetings	4,773			
	22 Printing and publications				
	23 Other expenses (attach schedule)	72,641	51,039		
	24 Total operating and administrative expenses.	382,366	158,477		3,925
	Add lines 13 through 23	759,994			759,994
	25 Contributions, gifts, grants paid	1,142,360	158,477		763,919
	26 Total expenses and disbursements. Add lines 24 and 25				
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	141,153			
	b Net investment income (if negative, enter -0-)		945,883		
	c Adjusted net income (if negative, enter -0-)			1,197,092	

Part III Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing			
	2 Savings and temporary cash investments	849,954	410,415	410,415
	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	17,000	20,200	20,200
	9 Prepaid expenses and deferred charges	1,844,565	1,760,361	1,865,357
	10a Investments—U S and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)	1,437,852	1,578,518	2,148,611
	c Investments—corporate bonds (attach schedule)	104,326	101,704	107,192
	11 Investments—land, buildings, and equipment basis ►			
Less accumulated depreciation (attach schedule) ►				
12 Investments—mortgage loans				
13 Investments—other (attach schedule)	8,298,595	8,724,114	8,850,074	
14 Land, buildings, and equipment basis ►	2,141,625			
Less accumulated depreciation (attach schedule) ►	72,999			
15 Other assets (describe ►)	1,990,544	2,068,626	2,000,174	
16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	149,739	152,990	152,729	
	14,692,575	14,816,928	15,554,752	
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 ► <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg , and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	14,692,575	14,816,928	
	30 Total net assets or fund balances (see instructions)	14,692,575	14,816,928	
	31 Total liabilities and net assets/fund balances (see instructions)	14,692,575	14,816,928	

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	14,692,575
2	Enter amount from Part I, line 27a	2	141,153
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	14,833,728
5	Decreases not included in line 2 (itemize) ►	5	16,800
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	14,816,928

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)
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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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a			
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	64,882
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	361,750	15,119,057	0.023927
2012	356,545	12,992,047	0.027443
2011	335,000	11,165,408	0.030003
2010	390,004	5,484,857	0.071106
2009	1,014	20,303	0.049943
2 Total of line 1, column (d).			2 0.202422
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 0.040484
4 Enter the net value of noncharitable-use assets for 2014 from Part X, line 5.			4 15,033,669
5 Multiply line 4 by line 3.			5 608,623
6 Enter 1% of net investment income (1% of Part I, line 27b).			6 9,459
7 Add lines 5 and 6.			7 618,082
8 Enter qualifying distributions from Part XII, line 4.			8 763,919

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 <input checked="" type="checkbox"/> and enter "N/A" on line 1		
	Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)	1	9,459
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		
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	9,459
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	9,459
6	Credits/Payments		
a	2014 estimated tax payments and 2013 overpayment credited to 2014	6a	20,200
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	20,200
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	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	10,741
11	Enter the amount of line 10 to be Credited to 2015 estimated tax <input checked="" type="checkbox"/> 10,741 Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

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?		Yes	No
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)?		Yes	No
	<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>			
1c	Did the foundation file Form 1120-POL for this year?		Yes	No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year			
	(1) On the foundation <input checked="" type="checkbox"/> \$ _____ (2) On foundation managers <input checked="" type="checkbox"/> \$ _____			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input checked="" type="checkbox"/> \$ _____			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS?		Yes	No
	<i>If "Yes," attach a detailed description of the activities.</i>			
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		Yes	No
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?		Yes	No
b	If "Yes," has it filed a tax return on Form 990-T for this year?		Yes	No
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year?		Yes	No
	<i>If "Yes," attach the statement required by General Instruction T.</i>			
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?		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.		Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions)			
	<input checked="" type="checkbox"/> TX			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation		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		Yes	No
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses.		Yes	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 ► RAYMOND C SCHIEFFER PC CPA Telephone no ► (903) 693-7837
Located at ► 1146 W PANOLA CARTHAGE TX ZIP +4 ► 75633

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** —Check here ► 15 and enter the amount of tax-exempt interest received or accrued during the year

16 At any time during calendar year 2014, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?

See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes", enter the name of the foreign country ►

16	Yes	No
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Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	► Yes	✓ No
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	► Yes	✓ No
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	► Yes	✓ No
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	► Yes	✓ No
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	► Yes	✓ No
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	► Yes	✓ No
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?		
	Organizations relying on a current notice regarding disaster assistance check here. ►		
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?		
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)		
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)		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		
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?		No
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))? (2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? (3) Provide a grant to an individual for travel, study, or other similar purposes? (4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions). (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? Organizations relying on a current notice regarding disaster assistance check here. <input type="checkbox"/>	5b	
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? <i>If "Yes," attach the statement required by Regulations section 53.4945-5(d).</i> <input type="checkbox"/> Yes <input type="checkbox"/> No		
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	6b	No
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? <i>If "Yes" to 6b, file Form 8870.</i>		
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	7b	
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?		

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

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

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

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

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		

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 12,851,763
b	Average of monthly cash balances.	1b 435,095
c	Fair market value of all other assets (see instructions).	1c 1,975,750
d	Total (add lines 1a, b, and c).	1d 15,262,608
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 15,262,608
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).	4 228,939
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5 15,033,669
6	Minimum investment return. Enter 5% of line 5.	6 751,683

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.	1 751,683
2a	Tax on investment income for 2014 from Part VI, line 5.	2a 9,459
b	Income tax for 2014 (This does not include the tax from Part VI).	2b
c	Add lines 2a and 2b.	2c 9,459
3	Distributable amount before adjustments Subtract line 2c from line 1.	3 742,224
4	Recoveries of amounts treated as qualifying distributions.	4
5	Add lines 3 and 4.	5 742,224
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.	7 742,224

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 763,919
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	4 763,919
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 9,459
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6 754,460
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				742,224
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only.			739,000	
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 ► \$ 763,919			739,000	
a Applied to 2013, but not more than line 2a				
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.			24,919	
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.			717,305	
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 <input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)			
2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed.			
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 email address of the person to whom applications should be addressed

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year See Additional Data Table				
Total			► 3a	759,994
b Approved for future payment				
Total			► 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue						
a						
b						
c						
d						
e						
f						
g Fees and contracts from government agencies						
2 Membership dues and assessments.						
3 Interest on savings and temporary cash investments						
4 Dividends and interest from securities.				14	533	
5 Net rental income or (loss) from real estate				14	399,255	
a Debt-financed property.						
b Not debt-financed property.				16	7,000	
6 Net rental income or (loss) from personal property						
7 Other investment income.						
8 Gain or (loss) from sales of assets other than inventory				496	14	64,882
9 Net income or (loss) from special events						21,043
10 Gross profit or (loss) from sales of inventory						
11 Other revenue a See Additional Data Table						
b						
c						
d						
e						
12 Subtotal Add columns (b), (d), and (e).			496		1,261,974	21,043
13 Total. Add line 12, columns (b), (d), and (e).						1,283,513

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

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.

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

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.

* * * * *

2015-05-19

* * * * *

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 RAYMOND SCHIEFFER	Preparer's Signature	Date 2015-05-19	Check if self-employed <input checked="" type="checkbox"/>	PTIN P00300741
	Firm's name ► RAYMOND SCHIEFFER PC CPA			Firm's EIN ► 75-2542876	
	Firm's address ► 1146 W PANOLA CARTHAGE, TX 75633			Phone no (903) 693-7837	

Form 990PF Part VIII Line 1 - List all officers, directors, trustees, foundation managers and their compensation

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ROBERT M UNDERWOOD	TRUSTEE 2 00	39,000	0	0
PO BOX 1138 CARTHAGE, TX 75633				
RICHARD BALLINGER	TRUSTEE 2 00	39,000	0	0
1276 STATE HWY 149 CARTHAGE, TX 75633				
JOHN W CONWAY	TRUSTEE 2 00	39,000	0	0
508 WESTPARKN LANE CARTHAGE, TX 75633				
JIMMY D PAYNE	TRUSTEE 2 00	39,000	0	0
CR 304 CARTHAGE, TX 75633				
DAVID BUSH	TRUSTEE 2 00	39,000	0	0
665 CR 403 CARTHAGE, TX 75633				
VERMOYN D REEDER	TRUSTEE 2 00	39,000	0	0
110 CR 1081 CARTHAGE, TX 75633				

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
MISSION CARTHAGE INC MISSION CARTHAGE INC 940 E SABINE 940 E SABINE CARTHAGE, TX 75633	NONE	PBLC CHARITY	DONATION	33,000
BECKVILLE ISD FOUNDATION BECKVILLE ISD FOUNDATION 1 BEARCAT DR 1 BEARCAT DR BECKVILLE, TX 75631	NONE	ED FDN	DONATION	38,500
CARTHAGE ISD FOUNDATION CARTHAGE ISD FOUNDATION 1 BULLDOG DR 1 BULLDOG DR CARTHAGE, TX 75633	NONE	ED FDN	DONATION	137,500
FIRST UNITED METHODIST CHURCH FIRST UNITED METHODIST CHURCH 201 S SHELBY 201 S SHELBY CARTHAGE, TX 75633	NONE	RELIGIOUS	DONATION	33,000
GARY INDEPENDENT SCHOOL DISTRICT GARY INDEPENDENT SCHOOL DISTRICT 132 BOBCAT TRAIL 132 BOBCAT TRAIL GARY, TX 75643	NONE	EDUCATION	SCHOLARSHIPS	5,100
PANOLA COLLEGE PANOLA COLLEGE 1109 W PANOLA 1109 W PANOLA CARTHAGE, TX 75633	NONE	EDUCATION	ENDOWED SCHOLARSHIPS	455,000
PANOLA COLLEGE PANOLA COLLEGE 1109 W PANOLA 1109 W PANOLA CARTHAGE, TX 75633	NONE	EDUCATION	J REEDER TUITION & BOOKS	2,094
NEW DESTINATIONS INC NEW DESTINATIONS INC PO BOX 1515 PO BOX 1515 CARTHAGE, TX 75633	NONE	PUB CHARITY	DONATION	5,500
ST JUDE'S CHILDREN RESEARCH CENTER ST JUDE'S CHILDREN RESEARCH CENTER 501 ST JUDE PLACE 501 ST JUDE PLACE MEMPHIS, TN 38105	NONE	PUB CHARITY	DONATION	5,000
STILL WATER COWBOY CHURCH STILL WATER COWBOY CHURCH PO BOX 166 PO BOX 166 CARTHAGE, TX 75633	NONE	RELIGIOUS	DONATION	15,000
PANOLA CNTY HIST & GENELOGICAL SCTY PANOLA CNTY HIST & GENELOCIAL SOCIETY 100 EAST SABINE 100 EAST SABINE CARTHAGE, TX 75633	NONE	PUB CHARITY	DONATION	5,500
AMERICAN RED CROSS AMERICAN RED CROSS 2025 E STREET NW 2025 E STREET NW WASHINGTON, DC 20006	NONE	PUB CHARITY	DONATION	5,000
PANOLA COUNTY SHRINE CLUB PANOLA COUNTY SHRINE CLUB 10027 STATE HWY 31 E 10027 STATE HWY 31 E TYLER, TX 75705	NONE	PUB CHARITY	DONATION	5,000
PROJECT STRING POWER PROJECT STRING POWER 1128 OAKWOOD DRIVE 1128 OAKWOOD DRIVE CARTHAGE, TX 75633	NONE	PUB CHARITY	DONATION	2,500
NORTHSIDE CHRISTIAN ACADEMY NORTHSIDE CHRISTIAN ACADEMY 108 E ASH STREET 108 E ASH STREET CARTHAGE, TX 75633	NONE	ED FDN	DONATION	2,500
Total			► 3a	759,994

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
PANOLA COUNTY 4-H PANOLA COUNTY 4-H 522 W COLLEGE ST 522 W COLLEGE ST CARTHAGE, TX 75633	NONE	PUB CHARITY	DONATION	5,000
TEAM ISABELLA TEAM ISABELLA 110 W PANOLA 110 W PANOLA CARTAHGE, TX 75633	NONE	CHARITY	DONATION	1,000
FOOTPRINTS IN THE SAND FOOTPRINTS IN THE SAND 1501 W SABINE 1501 W SABINE CARTHAGE, TX 75633	NONE	PUB CHARITY	DONATION	300
TEXAS LIONS CAMP TEXAS LIONS CAMP 4100 SAN ANTONIO HWY 4100 SAN ANTONIO HWY KERRVILLE, TX 78028	NONE	PUB CHARITY	DONATION	2,000
CARTHAGE POLICE DEPT FUND CARTHAGE POLICE DEPT FUND 321 W PANOLA 321 W PANOLA CARTHAGE, TX 75633	NONE	CHARITY	DONATION	1,500
Total			► 3a	759,994

Form 990PF Part XVI-A Line 11 - Other revenue:

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See the instructions)
11 Other revenue	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
a SEE STATEMENT 18				790,304	
b ROYALTY INCOME			15	532,072	
c OTHER INCOME - CHEVRON USA			15	514	
d OTHER INCOME - SALE OF WATE			1	8,353	
e CHEVRON -- PRIOR YEAR INCOM			15	2,000	
f KINDER MORGAN LP K-1 ROYALT			15	23	
g KINDER MORGAN LP K-1 ORD LO			1	-32	
h MARKWEST LP K-1 ORD LOSS			1	-7,466	
i BOARDWALK PIPELINE K-1 LOSS			1	-280	
j ENERGY TRANSFER PTR K-1 LOS			1	-296	
k ENTPRIZE PP LP K-1 ORD LOSS			1	-1,740	
l JACKSON NATL LIFE INS 1099-			14	75,717	
m NATIONWIDE LIFE INS CO 1099			14	181,439	

Form 4562

Depreciation and Amortization
(Including Information on Listed Property)

2014

Department of the Treasury
Internal Revenue Service (99)► Information about Form 4562 and its separate instructions is at www.irs.gov/form4562.Attachment
Sequence No 179

Name(s) shown on return THE CHARLES C MATTHEWS FOUNDATION	Business or activity to which this form relates INDIRECT DEPRECIATION	Identifying number 75-2741045
--	--	----------------------------------

Part I Election To Expense Certain Property Under Section 179**Note:** If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount (see instructions)	1	500,000
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4 Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5 Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7 Listed property Enter the amount from line 29	7		
8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8		
9 Tentative deduction Enter the smaller of line 5 or line 8	9		
10 Carryover of disallowed deduction from line 13 of your 2013 Form 4562	10		
11 Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11		
12 Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12		
13 Carryover of disallowed deduction to 2015 Add lines 9 and 10, less line 12 ► [13]	13		

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property) (See instructions.)		
14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	2,981

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**Section A**

17 MACRS deductions for assets placed in service in tax years beginning before 2014	17	28,646
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ► []		

Section B—Assets Placed in Service During 2014 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property		12,000	7 0	MQ	S/L	214
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
i Nonresidential real property			27 5 yrs	MM	S/L	
			39 yrs	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2014 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (see instructions.)						
21 Listed property Enter amount from line 28					21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations—see instructions					22	31,841
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23					

Part V

Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? Yes No **24b** If "Yes," is the evidence written? Yes No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation/deduction	(i) Elected section 179 cost

25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) **25**

26 Property used more than 50% in a qualified business use

	%							
	%							
	%							

27 Property used 50% or less in a qualified business use

	%				S/L -			
	%				S/L -			
	%				S/L -			

28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1 **28**

29 Add amounts in column (i), line 26 Enter here and on line 7, page 1 **29**

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person

If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

30 Total business/investment miles driven during the year (do not include commuting miles)	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
	Yes	No										
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions)

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2014 tax year (see instructions)					

43 Amortization of costs that began before your 2014 tax year	43	12,440
44 Total. Add amounts in column (f) See the instructions for where to report	44	12,440

TY 2014 Accounting Fees Schedule

Name: THE CHARLES C MATTHEWS FOUNDATION

EIN: 75-2741045

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	8,925	8,000		925

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

TY 2014 Amortization Schedule

Name: THE CHARLES C MATTHEWS FOUNDATION

EIN: 75-2741045

Description of Amortized Expenses	Date Acquired, Completed, or Expended	Amount Amortized	Deduction for Prior Years	Amortization Method	Current Year Amortization	Net Investment Income	Adjusted Net Income	Total Amount of Amortization
REFORESTATION	2011-12-31	43,524	12,440	7 0000	12,440			24,880

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

TY 2014 Depreciation Schedule

Name: THE CHARLES C MATTHEWS FOUNDATION
EIN: 75-2741045

Description of Property	Date Acquired	Cost or Other Basis	Prior Years' Depreciation	Computation Method	Rate / Life (# of years)	Current Year's Depreciation Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included
RANCH BUILDING	2010-04-28	42,530	3,407	S/L	39 0000	1,091			
RANCH LAND -- 715 63 AC	2010-04-28	530,146							
WATER WELL	2011-12-11	983	299	S/L	7 0000	140			
SMITH RANCH HOUSE	2013-04-16	255,700	3,278	S/L	39 0000	6,557			
BARNs	2013-04-16	75,000	3,750	S/L	10 0000	7,500			
FENCING & GATES	2013-04-16	102,121	7,294	S/L	7 0000	14,589			
PONDS -- CONSV EXP	2013-01-01	150,000	261		20 0000	1,750			
J W SMITH LAND -- 432 197 AC	2013-04-16	971,008							
FENCING & GATES	2014-12-16	12,000		S/L	7 0000	214			
BREVARD TRACT LAND	2014-12-16	108,613							
PONDS - BREVARD TRACT	2014-12-16	5,000			20 0000				

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: THE CHARLES C MATTHEWS FOUNDATION

EIN: 75-2741045

Name	Date Acquired	How Acquired	Date Sold	Purchaser Name	Gross Sales Price	Basis	Basis Method	Sales Expenses	Total (net)	Accumulated Depreciation
ED JONES - KINDER MORGAN	2014-12	PURCHASE	2014-12		37	37				
ED JONES - FT CAP STRGTH SER 18	2013-01	PURCHASE	2014-11		23,359	17,057			6,302	
ED JONES - BEAM INC	2010-04	PURCHASE	2014-05		18,788	8,630			10,158	
ED JONES - KINDER MORGAN/KMP	2014-01	PURCHASE	2014-12		38,255	38,611			-356	
FCC (H D VEST) -- S/T	2014-01	PURCHASE	2014-12		191,249	204,699			-13,450	
FCC (H D VEST) -- S/T	2014-01	PURCHASE	2014-05		1,927	1,813			114	
FCC (H D VEST) -- L/T	2013-01	PURCHASE	2014-12		380,294	344,944			35,350	
FCC (H D VEST) -- L/T	2013-01	PURCHASE	2014-12		561,075	542,790			18,285	
FCC (H D VEST) -- L/T	2013-01	PURCHASE	2014-12		61,004	89,112			-28,108	
FCC (H D VEST) -- L/T	2012-07	PURCHASE	2014-04		7,882	15,134			-7,252	
LONG-TERM GAIN/LOSS FROM PASS-THROUGH ENTITY					496				496	

TY 2014 Investments Corporate Bonds Schedule

Name: THE CHARLES C MATTHEWS FOUNDATION

EIN: 75-2741045

Name of Bond	End of Year Book Value	End of Year Fair Market Value
BCM 1999 B-A2	19,779	20,122
BCM 1999 B-A3	31,925	36,105
MORGAN STANLEY 6% STOXX NOTE	50,000	50,965

**TY 2014 Investments Corporate
Stock Schedule**

Name: THE CHARLES C MATTHEWS FOUNDATION

EIN: 75-2741045

Name of Stock	End of Year Book Value	End of Year Fair Market Value
ABBOTT LABS	22,078	33,771
ABBVIE INC	27,611	49,089
ALTRIA GROUP	12,424	24,635
AMERICAN ELECTRIC POWER	48,329	42,543
ANADARKO PETROLEUM	35,073	61,875
APPLE INC	39,986	50,223
APPLIED MATERIALS	15,873	28,673
AT&T	51,597	52,928
BEAM INC		
BERKSHIRE HATHAWAY	27,034	45,045
BOARDWALK PIPELINE PTR LP		
BRISTOL-MYERS	38,075	64,933
CATERPILLAR	39,848	45,765
CHEVRONTEXACO	120,386	140,225
COCA COLA	34,052	42,220
COLUMBIA PPTY TRUST INC		
CONOCOPHILLIPS	56,379	69,060
CVS CORP	9,729	12,039
DNP SELECT INCOME	18,243	21,126
EMC CORP	11,723	14,870
ENERGY TRANSFER PARTNERS	16,204	32,500
ENTERPRISE PROD PTRS LP	11,035	43,705
EXXONMOBIL	71,541	87,859
FORD MOTOR CO	32,220	38,750
FORTUNE BRANDS HOME & SEC INC	2,400	10,186
GENERAL ELECTRIC	29,929	40,944
INTEL	22,436	36,319
JP MORGAN CHASE	40,853	62,587
I SHARES SILVER TRUST	10,565	7,530
KRAFT FOODS GROUP	24,565	31,330

Name of Stock	End of Year Book Value	End of Year Fair Market Value
KINDER MORGAN INC	15,718	35,287
MARKWEST ENERGY PTRS	31,524	67,190
MEDTRONIC INC	9,999	15,882
MICROSOFT	14,317	22,805
MONDELEZ INTL (KRAFT SPINOFF)	11,101	18,170
ORACLE	46,257	81,570
PAYCHEX	7,974	11,542
PEPSICO	25,044	33,154
PIEDMONT OFFICE REALTY	47,508	56,520
PROCTOR & GAMBLE	55,028	78,702
ROYAL DUTCH SHELL PLC	54,700	56,951
SOUTHERN CO	34,810	49,110
SPDR DOW JONES	10,305	16,009
SPDR UTILITIES SELECT	24,987	33,762
SPDR GOLD TR GOLD SH	26,805	22,716
TRANSOCEAN LTD ZUG	17,457	5,499
UNITEDHEALTH GROUP	22,147	50,557
VODAFONE	25,132	28,888
WALMART	22,204	34,352
WASH MUTUAL HOLDINGS	40	16
WELLS FARGO	15,398	26,909
ZIMMER HOLDINGS	17,997	34,026
ALLSTATE 6.75% - PREFERRED	121,878	124,644
ALLSTATE 6.625% - PREFERRED	50,000	53,620

TY 2014 Investments Government Obligations Schedule

Name: THE CHARLES C MATTHEWS FOUNDATION

EIN: 75-2741045

**US Government Securities - End of
Year Book Value:**

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

**State & Local Government
Securities - End of Year Book
Value:** 1,760,361

**State & Local Government
Securities - End of Year Fair
Market Value:** 1,865,357

TY 2014 Investments - Other Schedule

Name: THE CHARLES C MATTHEWS FOUNDATION**EIN:** 75-2741045

Category / Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
BANK OF THE WEST	AT COST	250,007	271,160
BARCLAYS BANK 10-27-14	AT COST		
BARCLAYS BANK 1-27-15	AT COST	145,770	150,915
BARCLAYS BANK 9-28-15	AT COST		
HARRIS BANK 8-31-16	AT COST	250,007	259,400
HSBC BANK 1-29-16 AY63	AT COST	54,076	49,080
HSBC BANK 9-29-16 GER6	AT COST		
HSBC BANK 1-29-16 AY89	AT COST		
HSBC BANK 11-25-20 GH6	AT COST	50,970	49,450
JP MORGAN CHASE BANK 10-31-18	AT COST	102,721	109,430
JP MORGAN CHASE BANK 1-30-19	AT COST	153,509	134,070
UNION BANK 7-5-17	AT COST	112,041	115,170
UNION BANK 2-2-18	AT COST	111,500	119,950
UNION BANK 10-28-16	AT COST	54,686	49,380
WELLS FARGO BANK 3-9-15	AT COST		
WELLS FARGO BANK 6-7-17	AT COST	108,954	127,500
WEST BANK	AT COST	262,206	269,550
KINDER MORGAN PARTNERS	AT COST		
JACKSON NATL -- PERSPECTIVE II	AT COST	1,097,064	1,086,638
NATIONWIDE -- DESTINATION	AT COST	876,037	975,938
INVESCO TAX FREE INTER A3	AT COST	92,405	95,355
INVESCO SELECT REAL ESTATE/A	AT COST	80,740	82,944
AM FUNDS AMCAP/A	AT COST	23,852	26,096
AM FUNDS - HIGH INCOME/A	AT COST	29,456	27,938
AM FUNDS - MUTUAL/A	AT COST	16,417	18,321
AM FUNDS - WASHINGTON/A	AT COST	16,735	18,240
AM FUNDS - CAPITAL INCOME BLDR/A	AT COST	29,672	34,653
AM FUNDS - GROWTH FD OF AMER/A	AT COST	61,572	75,005
AM FUNDS - NEW WORLD FUND/A	AT COST	22,551	23,890
AM FUNDS - NEW PERSPECTIVE FD/A	AT COST	51,789	57,891

Category / Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
AM FUNDS - NEW ECONOMY/A	AT COST	40,268	42,031
AM FUNDS - SM WORLD/A	AT COST	23,219	22,876
AM FUNDS - CAPITAL WLD G&I FD/A	AT COST	42,852	51,075
AM FUNDS - CAPITAL WLD BOND FD/A	AT COST	21,863	12,038
AM FUNDS - EUROPACIFIC GR FD/A	AT COST	31,596	36,972
COLUMBIA MARISCO GL/A	AT COST	11,076	10,529
COLUMBIA TAX EXEMPT/A	AT COST	106,244	108,044
DWS CORE EQUITY/A	AT COST	28,881	32,189
DWS GLOBAL SM CAP/A	AT COST	29,972	27,527
DWS FLOATING RATE PLUS/A	AT COST		
DWS MANAGED MUNI BD/A	AT COST	78,789	76,848
DWS RREEF GLOBAL INFR FD/A	AT COST	153,245	199,742
DWS STRATEGIC HY TAX FREE FD/A	AT COST	56,325	49,502
FRANKLIN INSURED TAX FREE A	AT COST	567,288	493,092
FRANKLIN INSURED TAX FREE C	AT COST	37,208	72,445
FRANKLIN FLR RATE DLY/A	AT COST	132,131	127,706
FRANKLIN FED INTERM TAX FREE/A	AT COST	55,468	55,841
FRANKLIN INC FUND/A	AT COST	51,519	49,198
HARTFORD CAPITAL APP FD/A	AT COST	33,175	36,781
HARTFORD FLOATING RATE FD/A	AT COST	11,747	10,968
MFS EMERGING MARKET FD/A	AT COST	63,252	57,407
MFS MODERATE ALLOC/A	AT COST	10,349	10,783
MFS DIVERSIFIED INC/A	AT COST	26,955	28,124
MFS UTILITIES/A	AT COST	27,448	26,260
MFS GROWTH/A	AT COST	10,632	11,884
MFS CONSV ALLOC/A	AT COST	11,725	12,078
OPPENHEIMER INTL BOND FD/A	AT COST	44,883	42,783
OPPENHEIMER EQ INC/C	AT COST	28,613	27,192
OPPENHEIMER INTL SMALL CO/C	AT COST	10,633	13,330
OPPENHEIMER CAP INC/C	AT COST	10,486	10,862

Category / Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
OPPNHMR SR FLOAT RATE/C	AT COST	101,511	98,248
OPPNHMR EQ INC/A	AT COST	27,679	29,728
OPPNHMR SR FLOAT RATE/A	AT COST	44,204	42,729
OPPNHMR INTL SM CO/A	AT COST	50,393	53,358
OPPNHMR STEELPATH ALPHA/A	AT COST	100,067	98,462
ALLIANZ CONVERTIBLE/A	AT COST	28,035	25,926
ALLIANZ RCM GLBL WATER/A	AT COST	50,094	48,852
ALLIANZ RCM GLBL SMCAP/A	AT COST	25,000	23,940
PUTNAM AMT FREE INS/A	AT COST	354,544	244,535
PUTNAM GLOBAL INCOME FD/A	AT COST	217,358	222,409
PUTNAM MULTI CAP GROWTH (NEW OPP)	AT COST	69,005	77,430
PUTNAM EQ INC/A	AT COST	86,367	85,972
PUTNAM FLOATING INC/A	AT COST	149,502	144,697
PUTNAM CAP SPECTRUM/A	AT COST	63,059	67,832
STATE FARM SM MID CAL EQUITY/A	AT COST	19,453	18,229
STATE FARM 500 INDEX FUND/A	AT COST	69,788	100,749
STATE FARM BOND FUND/A	AT COST	100,060	101,246
STATE FARM INTL INDEX FD/A	AT COST	25,621	24,056
TEMPLETON GLOBAL BOND FD/A	AT COST	254,497	243,060
TEMPLETON GLBL TTL RET/A	AT COST	55,095	49,649
ADT 980 DOW 10 5-12-2014	AT COST		
ADT 1073 HEALTH CARE 13-2	AT COST	50,802	63,381
ADT 1014 BRAND FAV 7-2014	AT COST		
ADT 1256 BRAND FAV 14-3Q	AT COST	100,071	105,883
ADT 1092 HI 50 DIV 2013-4QTR	AT COST	52,712	56,586
ADT 1333 (AAM H150) 12/17	AT COST	30,004	30,422
ADT 1077 HI 50 3RDQTR 2013	AT COST		
ADT 1124 PERONI GR 2014	AT COST	25,137	27,971
ADT 1197 STR HI 50/Q50	AT COST	61,433	67,094
ADT 327 INSURED TE MUNI SER 2	AT COST	449,201	460,818

Category / Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
AAM BLUE CHIP 8-20-14	AT COST	100,429	102,357
ADT 886 BLUE CHIP 2012-2Q	AT COST		
ADT 900 AGRI BUS 2012-2Q	AT COST		
ADT AGI BUS OPPTY 2014-2	AT COST	50,128	49,377
ADT 1140 HIMCO GL DIV	AT COST	76,736	78,187
ADT 954 HARTFORD GL DIV 2012-4Q	AT COST		
FT CAP STRENGTH SER 18	AT COST		
FT CAP STRENGTH SER 27	AT COST	23,550	22,820

TY 2014 Land, Etc. Schedule

Name: THE CHARLES C MATTHEWS FOUNDATION**EIN:** 75-2741045

Category / Item	Cost / Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
RANCH BUILDING	42,530	4,498	38,032	38,032
WATER WELL	983	439	544	544
REFORESTATION	43,524	24,880	18,644	18,644
SMITH RANCH HOUSE	255,700	9,835	245,865	245,865
FENCING & GATES	102,121	21,883	80,238	11,786
BARNs	75,000	11,250	63,750	63,750
FENCING & GATES -- BREVARD TRACT	12,000	214	11,786	11,786
RANCH LAND	530,146		530,146	530,146
J W SMITH LAND	971,008		971,008	971,008
BREVARD TRACT LAND	108,613		108,613	108,613

TY 2014 Legal Fees Schedule

Name: THE CHARLES C MATTHEWS FOUNDATION

EIN: 75-2741045

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ATTORNEY FEES	12,000	3,000		3,000

TY 2014 Other Assets Schedule

Name: THE CHARLES C MATTHEWS FOUNDATION**EIN:** 75-2741045

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
PONDS	150,000	150,000	150,000
PONDS - BREVARD TRACT		5,000	5,000
LESS CONSV EXP	-261	-2,010	-2,271

TY 2014 Other Decreases Schedule

Name: THE CHARLES C MATTHEWS FOUNDATION

EIN: 75-2741045

Description	Amount
FEDERAL INCOME TAX FOR 2013	16,800

TY 2014 Other Expenses Schedule

Name: THE CHARLES C MATTHEWS FOUNDATION**EIN:** 75-2741045

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXPENSES				
BOARDWALK K-1 NON DEDUCTIBLE	1	1		
ENERGY TRSFR PTRS K-1 INVMT	117	117		
ENERGY TRSFR PTRS K-1 NON DED	6	6		
ENERGY TRSFR PTRS K-1 SEC 123	38	38		
ENERGY TRSFR PTRS K-1 CASH CO	2	2		
ENTERPRISE PP LP K-1 NON DEDU	2	2		
ENTERPRISE PP LP K-1 SEC 1231	64	64		
INVESTMENT FEES - ED JONES	72	72		
KINDER MORGAN LP K-1 INTNG DR	193	193		
KINDER MORGAN LP K-1 INVESTMT	19	19		
KINDER MORGAN LP K-1 NON DEDU	1	1		
KINDER MORGAN LP K-1 SEC 1231	42	42		
MARKWEST LP K-1 NON DEDUCTBLE	3	3		
MARKWEST LP K-1 SEC 1231 EXP	-1	-1		
POST OFFICE BOX RENTAL	60			
REPAIRS & MAINTENANCE - RANCH	1,698			
ROYALTY OTHER DEDUCTIONS	33,717	33,717		
ROYALTY SEVERANCE TAX	16,763	16,763		
SAFE DEPOSIT BOX RENTAL	180			
SUPPLIES	7,224			

TY 2014 Other Income Schedule

Name: THE CHARLES C MATTHEWS FOUNDATION**EIN:** 75-2741045

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
ROYALTY INCOME	532,072	532,072	532,072
OTHER INCOME - CHEVRON USA	514	514	514
OTHER INCOME - SALE OF WATER	8,353	8,353	8,353
CHEVRON -- PRIOR YEAR INCOME	2,000	2,000	2,000
KINDER MORGAN LP K-1 ROYALTY	23	23	23
KINDER MORGAN LP K-1 ORD LOSS	-32	-32	-32
MARKWEST LP K-1 ORD LOSS	-7,466	-7,466	-7,466
BOARDWALK PIPELINE K-1 LOSS	-280	-280	-280
ENERGY TRANSFER PTR K-1 LOSS	-296	-296	-296
ENTPRISE PP LP K-1 ORD LOSS	-1,740	-1,740	-1,740
JACKSON NATL LIFE INS 1099-R	75,717	75,717	75,717
NATIONWIDE LIFE INS CO 1099-M	181,439	181,439	181,439

TY 2014 Taxes Schedule

Name: THE CHARLES C MATTHEWS FOUNDATION**EIN:** 75-2741045

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
PROPERTY TAXES - RANCH	3,596			
PROPERTY TAXES - ROYALTY	5,807			
FOREIGN TAX - HD VEST	1,074	1,074		
FOREIGN TAX - K MORGAN K-1	1	1		

TY 2014 GeneralDependencySmall

Name: THE CHARLES C MATTHEWS FOUNDATION

EIN: 75-2741045

Business Name or Person Name:

Taxpayer Identification Number:

Form, Line or Instruction

Reference:

Regulations Reference:

Description: OUT OF BONUS DEPR-ALL PROP

Attachment Information: YEAR ENDED: DECEMBER 31, 2014 75-2741045 THE CHARLES C MATTHEWS FOUNDATION PO BOX 427 CARTHAGE, TX 75633 ELECTING OUT OF BONUS DEPRECIATION ALLOWANCE FOR ALL ELIGIBLE DEPRECIABLE PROPERTY THE TAXPAYER ELECTS OUT OF FIRST-YEAR BONUS DEPRECIATION ALLOWANCE UNDER IRC SECTION 168(K) FOR ALL ELIGIBLE ASSET CLASSES OF DEPRECIABLE PROPERTY ACQUIRED AFTER DECEMBER 31, 2007. THIS ELECTION APPLIES TO ALL ELIGIBLE DEPRECIABLE PROPERTY PLACED IN SERVICE DURING THE TAX YEAR.