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**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 separate instructions is at [www.irs.gov/form990pf](http://www.irs.gov/form990pf).

**2014****Open to Public Inspection**

For calendar year 2014, or tax year beginning , 2014, and ending

THE BONE HILL FOUNDATION  
4000 S. MEDFORD DR.  
LUFKIN, TX 75901

**A** Employer identification number  
75-6279006

**B** Telephone number (see instructions)  
936-632-7771

**C** If exemption application is pending, check here ▶ ☐

**D 1** Foreign organizations, check here ▶ ☐

**2** Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

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

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

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

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

**I** Fair market value of all assets at end of year (from Part II, column (c), line 16)  
▶ \$ 10,858,793.

**J** Accounting method ☒ Cash ☐ Accrual  
☐ Other (specify) \_\_\_\_\_ (Part I, column (d) must be on cash basis)

**Part I Analysis of Revenue and Expenses**

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>1</b> Contributions, gifts, grants, etc. received (attach schedule)				
<b>2</b> Ck ▶ <input checked="" type="checkbox"/> if the foundn is not required to attach Sch B				
<b>3</b> Interest on savings and temporary cash investments				
<b>4</b> Dividends and interest from securities	176,120.	176,120.	176,120.	
<b>5a</b> Gross rents	27,403.	27,403.	27,403.	
<b>b</b> Net rental income or (loss)	27,403.			
<b>6a</b> Net gain or (loss) from sale of assets not on line 10	456,817.			
<b>b</b> Gross sales price for all assets on line 10	3,329,839.			
<b>7</b> Capital gain net income (from Part IV, line 2)		456,549.		
<b>8</b> Net short-term capital gain			0.	
<b>9</b> Income modifications				
<b>10a</b> Gross sales less returns and allowances				
<b>b</b> Less Cost of goods sold				
<b>c</b> Gross profit or (loss) (attach schedule)				
<b>11</b> Other income (attach schedule)				
<b>SEE STATEMENT 1</b>	1,063,038.			
<b>12 Total.</b> Add lines 1 through 11	1,723,378.	660,072.	203,523.	
<b>13</b> Compensation of officers, directors, trustees, etc	0.			
<b>14</b> Other employee salaries and wages				
<b>15</b> Pension plans, employee benefits				
<b>16a</b> Legal fees (attach schedule) SEE ST 2	2,591.	992.		
<b>b</b> Accounting fees (attach sch) SEE ST 3	31,222.	11,958.		
<b>c</b> Other prof fees (attach sch) SEE ST 4	97,458.	11,306.		
<b>17</b> Interest				
<b>18</b> Taxes (attach schedule)(see instrs) SEE STM 5	81,589.	81,589.		
<b>19</b> Depreciation (attach sch) and depletion	157,310.	157,310.		
<b>20</b> Occupancy				
<b>21</b> Travel, conferences, and meetings				
<b>22</b> Printing and publications				
<b>23</b> Other expenses (attach schedule)				
<b>SEE STATEMENT 6</b>	114,686.	15,210.		
<b>24 Total operating and administrative expenses.</b> Add lines 13 through 23	484,856.	278,365.		
<b>25</b> Contributions, gifts, grants paid PART XV	242,000.			242,000.
<b>26 Total expenses and disbursements.</b> Add lines 24 and 25	726,856.	278,365.	0.	242,000.
<b>27</b> Subtract line 26 from line 12.				
<b>a Excess of revenue over expenses and disbursements</b>	996,522.			
<b>b Net investment income</b> (if negative, enter -0-)		381,707.		
<b>c Adjusted net income</b> (if negative, enter -0-)			203,523.	

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REVENUE

ADMINISTRATIVE AND EXPENSES

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
ASSETS	1	Cash — non-interest-bearing		223,762.	339,377.	453,993.
	2	Savings and temporary cash investments				
	3	Accounts receivable				
		Less: allowance for doubtful accounts				
	4	Pledges receivable				
		Less: allowance for doubtful accounts				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)				
	7	Other notes and loans receivable (attach sch)				
		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)				
	b	Investments — corporate stock (attach schedule)				
	c	Investments — corporate bonds (attach schedule)				
	LIABILITIES	11	Investments — land, buildings, and equipment: basis			
		Less: accumulated depreciation (attach schedule)				3,448,132.
12		Investments — mortgage loans				
13		Investments — other (attach schedule)	5,502,501.	6,534,715.	6,956,668.	
14		Land, buildings, and equipment: basis	3,448,132.			
		Less: accumulated depreciation (attach schedule)	4,038,479.	3,448,132.		
15		Other assets (describe SEE STATEMENT 8)		3,166.		
16		<b>Total assets</b> (to be completed by all filers — see the instructions. Also, see page 1, item I)	9,764,742.	10,325,390.	10,858,793.	
17		Accounts payable and accrued expenses				
18		Grants payable				
FUND ASSETS	19	Deferred revenue				
	20	Loans from officers, directors, trustees, & other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe)	6,097.			
	23	<b>Total liabilities</b> (add lines 17 through 22)	6,097.	0.		
	24	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.				
	25	Unrestricted				
	26	Temporarily restricted				
	27	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.	X			
	28	Capital stock, trust principal, or current funds	9,758,645.	10,325,390.		
NET ASSETS OR FUND BALANCES	29	Paid-in or capital surplus, or land, bldg., and equipment fund				
	30	Retained earnings, accumulated income, endowment, or other funds				
	31	<b>Total net assets or fund balances</b> (see instructions)	9,758,645.	10,325,390.		
	31	<b>Total liabilities and net assets/fund balances</b> (see instructions)	9,764,742.	10,325,390.		

## 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	9,758,645.
2	Enter amount from Part I, line 27a	2	996,522.
3	Other increases not included in line 2 (itemize) SEE STATEMENT 9	3	157,314.
4	Add lines 1, 2, and 3	4	10,912,481.
5	Decreases not included in line 2 (itemize) SEE STATEMENT 10	5	587,091.
6	Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	6	10,325,390.



**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 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1 a SEE STATEMENT 11				
b				
c				
d				
e				

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

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

2 Capital gain net income or (net capital loss). <span style="float: right;">If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7</span>	2	456,549.
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	-10,288.

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

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

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

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

☐ Yes☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2013	107,000.	4,986,559.	0.021458
2012	131,000.	4,046,406.	0.032374
2011	95,000.	2,437,440.	0.038975
2010	95,000.	1,513,270.	0.062778
2009	106,000.	1,451,889.	0.073008

2 Total of line 1, column (d)	2	0.228593
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	0.045719
4 Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	6,492,014.
5 Multiply line 4 by line 3	5	296,808.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	3,817.
7 Add lines 5 and 6	7	300,625.
8 Enter qualifying distributions from Part XII, line 4	8	242,000.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.



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

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary – see instrs)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here. <input type="checkbox"/> and enter 1% of Part I, line 27b		1	7,634.
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	0.
3 Add lines 1 and 2		3	7,634.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	0.
5 <b>Tax based on investment income.</b> Subtract line 4 from line 3 If zero or less, enter -0-		5	7,634.
6 Credits/Payments.			
a 2014 estimated tax pmts and 2013 overpayment credited to 2014	6 a	9,672.	
b Exempt foreign organizations – tax withheld at source	6 b		
c Tax paid with application for extension of time to file (Form 8868)	6 c		
d Backup withholding erroneously withheld	6 d		
7 Total credits and payments Add lines 6a through 6d	7	9,672.	
8 Enter any <b>penalty</b> for underpayment of estimated tax Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	8.	
9 <b>Tax due</b> If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0.	
10 <b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	2,030.	
11 Enter the amount of line 10 to be Credited to 2015 estimated tax <input type="checkbox"/> 2,030. Refunded <input type="checkbox"/>	11	0.	

**Part VII-A Statements Regarding Activities**

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)?		X
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 <b>Form 1120-POL</b> for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation ▶ \$ 0. (2) On foundation managers ▶ \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If 'Yes,' attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If 'Yes,' attach a conformed copy of the changes		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on <b>Form 990-T</b> for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If 'Yes,' attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?		X
7 Did the foundation have at least \$5,000 in assets at any time during the year? If 'Yes,' complete Part II, column (c), and Part XV	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) TX		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If 'No,' attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2014 or the taxable year beginning in 2014 (see instructions for Part XIV)? If 'Yes,' complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If 'Yes,' attach a schedule listing their names and addresses		X

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11		x
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12		X
----	--	---

13	X	
----	---	--

► N/A

Telephone no ▶ 936-632-7771

ZIP + 4 ▶ 75901

$\overline{N/A}$	▶	
------------------	---	--

► 15 | N/A

	Yes	No
--	-----	----

16		X
----	--	---


	Yes	No
--	-----	----

☐ Yes ☒ No

☐ Yes ☒ No

<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
--------------------------	-----	-------------------------------------	----

☐ Yes ☒ No

☐ Yes ☒ No

☐ Yes ☒ No

1 b	N/A
-----	-----

▶

1c	X
----	---

☐ Yes ☒ No

2b	N/A
----	-----

☐ Yes ☒ No

3b	N/A
----	-----

4a	X
----	---

4b		X
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**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 N/A

Organizations relying on a current notice regarding disaster assistance check here

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

If 'Yes,' attach the statement required by Regulations section 53.4945-5(d).

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

6b X

If 'Yes' to 6b, file Form 8870

**7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**b** If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 12		0.	0.	0.

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

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

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

0



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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services		0

**Part IX-A** Summary of Direct Charitable Activities

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

	Expenses
1 N/A	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3	0.

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**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	1 a	5,446,909.
b	Average of monthly cash balances	1 b	1,143,968.
c	Fair market value of all other assets (see instructions)	1 c	
d	<b>Total</b> (add lines 1a, b, and c)	1 d	6,590,877.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1 e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	6,590,877.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	98,863.
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	5	6,492,014.
6	<b>Minimum investment return.</b> Enter 5% of line 5	6	324,601.

**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	324,601.
2a	Tax on investment income for 2014 from Part VI, line 5	2 a	7,634.
b	Income tax for 2014. (This does not include the tax from Part VI.)	2 b	
c	Add lines 2a and 2b	2 c	7,634.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	316,967.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	316,967.
6	Deduction from distributable amount (see instructions)	6	
7	<b>Distributable amount</b> as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	316,967.

**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	1 a	242,000.
b	Program-related investments — total from Part IX-B	1 b	
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)	3 a	
b	Cash distribution test (attach the required schedule)	3 b	
4	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	242,000.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	6	242,000.

**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.

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**Part XIII Undistributed Income** (see instructions)

	(a) Corpus	(b) Years prior to 2013	(c) 2013	(d) 2014
<b>1</b> Distributable amount for 2014 from Part XI, line 7				316,967.
<b>2</b> Undistributed income, if any, as of the end of 2014:				
<b>a</b> Enter amount for 2013 only			237,637.	
<b>b</b> Total for prior years: 20 __, 20 __, 20 __		0.		
<b>3</b> Excess distributions carryover, if any, to 2014				
<b>a</b> From 2009				
<b>b</b> From 2010				
<b>c</b> From 2011				
<b>d</b> From 2012				
<b>e</b> From 2013				
<b>f</b> Total of lines 3a through e	0.			
<b>4</b> Qualifying distributions for 2014 from Part XII, line 4 ▶ \$ 242,000.				
<b>a</b> Applied to 2013, but not more than line 2a			237,637.	
<b>b</b> Applied to undistributed income of prior years (Election required — see instructions)		0.		
<b>c</b> Treated as distributions out of corpus (Election required — see instructions)	0.			
<b>d</b> Applied to 2014 distributable amount				4,363.
<b>e</b> Remaining amount distributed out of corpus	0.			
<b>5</b> Excess distributions carryover applied to 2014 (If an amount appears in column (d), the same amount must be shown in column (a) )	0.			0.
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus Add lines 3f, 4c, and 4e. Subtract line 5	0.			
<b>b</b> Prior years' undistributed income Subtract line 4b from line 2b		0.		
<b>c</b> 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		0.		
<b>d</b> Subtract line 6c from line 6b Taxable amount — see instructions.		0.		
<b>e</b> Undistributed income for 2013 Subtract line 4a from line 2a Taxable amount — see instructions.			0.	
<b>f</b> Undistributed income for 2014 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2015				312,604.
<b>7</b> 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)	0.			
<b>8</b> Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions)	0.			
<b>9</b> Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a	0.			
<b>10</b> Analysis of line 9				
<b>a</b> Excess from 2010				
<b>b</b> Excess from 2011				
<b>c</b> Excess from 2012				
<b>d</b> Excess from 2013				
<b>e</b> Excess from 2014				







**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)				
<b>a</b> Paid during the year SEE STATEMENT 13				
<b>Total</b>			<b>3 a</b>	242,000.
<b>b</b> Approved for future payment				
<b>Total</b>			<b>3 b</b>	











## THE BONE HILL FOUNDATION

75-6279006

**STATEMENT 1**  
**FORM 990-PF, PART I, LINE 11**  
**OTHER INCOME**

	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
MISCELLANEOUS INCOME	\$ 301.		
ROYALTIES	1,048,737.		
SCHOLARSHIP RETURNS	14,000.		
<b>TOTAL</b>	<b>\$ 1,063,038.</b>	<b>\$ 0.</b>	<b>\$ 0.</b>

**STATEMENT 2**  
**FORM 990-PF, PART I, LINE 16A**  
**LEGAL FEES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
SHIRES & METTAUER	\$ 2,591.	\$ 992.		
<b>TOTAL</b>	<b>\$ 2,591.</b>	<b>\$ 992.</b>	<b>\$ 0.</b>	<b>\$ 0.</b>

**STATEMENT 3**  
**FORM 990-PF, PART I, LINE 16B**  
**ACCOUNTING FEES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ALEXANDER, LANKFORD & HIERS, INC.	\$ 31,222.	\$ 11,958.		
<b>TOTAL</b>	<b>\$ 31,222.</b>	<b>\$ 11,958.</b>	<b>\$ 0.</b>	<b>\$ 0.</b>

**STATEMENT 4**  
**FORM 990-PF, PART I, LINE 16C**  
**OTHER PROFESSIONAL FEES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
COMMISSIONS	\$ 29,520.	\$ 11,306.		
INVESTMENT FEES	67,938.			
<b>TOTAL</b>	<b>\$ 97,458.</b>	<b>\$ 11,306.</b>	<b>\$ 0.</b>	<b>\$ 0.</b>



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STATEMENT 5  
FORM 990-PF, PART I, LINE 18  
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
OTHER TAXES	\$ 81,589.	\$ 81,589.		
TOTAL	<u>\$ 81,589.</u>	<u>\$ 81,589.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

STATEMENT 6  
FORM 990-PF, PART I, LINE 23  
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
AMORTIZATION	\$ 1,695.	\$ 1,695.		
INSURANCE	3,591.	3,591.		
MISCELLANEOUS	1.	1.		
OFFICE EXPENSES	8.	8.		
RENTAL EXPENSES	3,518.			
REPAIRS & MAINTENANCE	9,915.	9,915.		
SEVERANCE TAXES/OTHER DEDUCTIONS	95,958.			
TOTAL	<u>\$ 114,686.</u>	<u>\$ 15,210.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

STATEMENT 7  
FORM 990-PF, PART II, LINE 14  
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE	FAIR MARKET VALUE
IMPROVEMENTS	\$ 50,164.	\$ 0.	\$ 50,164.	\$ 0.
LAND	3,337,781.		3,337,781.	0.
MISCELLANEOUS	60,187.	0.	60,187.	0.
TOTAL	<u>\$ 3,448,132.</u>	<u>\$ 0.</u>	<u>\$ 3,448,132.</u>	<u>\$ 0.</u>

STATEMENT 8  
FORM 990-PF, PART II, LINE 15  
OTHER ASSETS

	BOOK VALUE	FAIR MARKET VALUE
PREPAID INCOME TAX	\$ 3,166.	
TOTAL	<u>\$ 3,166.</u>	<u>\$ 0.</u>



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**STATEMENT 9**  
**FORM 990-PF, PART III, LINE 3**  
**OTHER INCREASES**

DEPLETION	\$	157,310.
ROUNDING		4.
<b>TOTAL</b>	<b>\$</b>	<b>157,314.</b>

**STATEMENT 10**  
**FORM 990-PF, PART III, LINE 5**  
**OTHER DECREASES**

ASSET APPRAISAL INCREMENT	\$	579,449.
ESTIMATED TAX PENALTY		8.
FEDERAL INCOME TAX		7,634.
<b>TOTAL</b>	<b>\$</b>	<b>587,091.</b>

**STATEMENT 11**  
**FORM 990-PF, PART IV, LINE 1**  
**CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

ITEM	(A) DESCRIPTION	(B) HOW ACQUIRED	(C) DATE ACQUIRED	(D) DATE SOLD
1	SALE OF TIMBER	PURCHASED	VARIOUS	VARIOUS
2	SALE OF SECURITIES	PURCHASED	VARIOUS	VARIOUS
3	SALE OF SECURITIES	PURCHASED	VARIOUS	VARIOUS
4	SALE OF SECURITIES	PURCHASED	VARIOUS	VARIOUS
5	SALE OF SECURITIES	PURCHASED	VARIOUS	VARIOUS
6	SALE OF SECURITIES	PURCHASED	VARIOUS	VARIOUS
7	SALE OF SECURITIES	PURCHASED	VARIOUS	VARIOUS
8	SALE OF SECURITIES	PURCHASED	VARIOUS	VARIOUS
9	SALE OF SECURITIES	PURCHASED	VARIOUS	VARIOUS
10	SALE OF SECURITIES	PURCHASED	VARIOUS	VARIOUS
11	SALE OF SECURITIES	PURCHASED	VARIOUS	VARIOUS
12	SALE OF SECURITIES	PURCHASED	VARIOUS	VARIOUS
13	SALE OF SECURITIES	PURCHASED	VARIOUS	VARIOUS
14	SALE OF SECURITIES	PURCHASED	VARIOUS	VARIOUS
15	SALE OF SECURITIES	PURCHASED	VARIOUS	VARIOUS

ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I) - (J)	(L) GAIN (LOSS)
1	379,669.		0.	379,669.				\$ 379,669.
2	1,153.		627.	526.				526.
3	840,928.		830,245.	10,683.				10,683.
4	609,220.		605,890.	3,330.				3,330.
5	202,994.		169,793.	33,201.				33,201.
6	5,566.		5,313.	253.				253.
7	199,720.		212,435.	-12,715.				-12,715.
8	383,489.		343,347.	40,142.				40,142.
9	127,138.		102,829.	24,309.				24,309.
10	151,035.		151,845.	-810.				-810.
11	28,968.		29,231.	-263.				-263.
12	28,510.		25,960.	2,550.				2,550.
13	43,976.		41,482.	2,494.				2,494.
14	327,460.		354,293.	-26,833.				-26,833.



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STATEMENT 11 (CONTINUED)  
 FORM 990-PF, PART IV, LINE 1  
 CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I) - (J)	(L) GAIN (LOSS)
15	13.		0.	13.				\$ 13.
							TOTAL	\$ 456,549.

STATEMENT 12  
 FORM 990-PF, PART VIII, LINE 1  
 LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
RICK L. CAMPBELL PO BOX 2108 CENTER, TX 75935	CHAIRMAN 0	\$ 0.	\$ 0.	\$ 0.
WILL LUCAS PO BOX 1806 CENTER, TX 75935	SECRETARY 0	0.	0.	0.
DEWEY HOWARD 1785 FM 138 CENTER, TX 75935	TRUSTEE 0	0.	0.	0.
TED A. LANKFORD 4000 S. MEDFORD DR. LUFKIN, TX 75901	TREASURER 0	0.	0.	0.
BOB REEVES PO BOX 2227 CENTER, TX 75935	TRUSTEE 0	0.	0.	0.
LISA MCADAMS 1917 LAKEWOOD DR. CENTER, TX 75935	TRUSTEE 0	0.	0.	0.
DR. GARY D. KRONRAD 6050 OLD SHADY ROAD NACOGDOCHES, TX 75961	VICE CHAIRMAN 0	0.	0.	0.
	TOTAL	\$ 0.	\$ 0.	\$ 0.



## THE BONE HILL FOUNDATION

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**STATEMENT 13**  
**FORM 990-PF, PART XV, LINE 3A**  
**RECIPIENT PAID DURING THE YEAR**

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND- ATION STATUS	PURPOSE OF GRANT	AMOUNT
CENTER ISD 404 MOSBY CENTER, TX 75935	N/A	N/A	EDUCATION	\$ 40,000.
JOAQUIN ISD HWY 84 JOAQUIN, TX 75954	N/A	N/A	EDUCATION	8,000.
SHELBYVILLE ISD ROAD 417 WEST SHELBYVILLE, TX 75973	N/A	N/A	EDUCATION	10,000.
TENAHHA ISD 1 TIGER DR. TENAHHA, TX 75974	N/A	N/A	EDUCATION	7,000.
TIMPSON ISD PO DRAWER 370 TIMPSON, TX 75975	N/A	N/A	EDUCATION	7,000.
STEPHEN F. AUSTIN STATE UNIV. PO BOX 6078 NACOGDOCHES, TX 75962	N/A	N/A	EDUCATION	93,000.
ANGELINA COLLEGE PO BOX 1768 LUFKIN, TX 75902	N/A	N/A	EDUCATION	17,500.
SHELBY COUNTY VOCATIONAL CENTER 618 ROUGHRIDER DRIVE CENTER, TX 75935	N/A	N/A	EDUCATION	7,500.
SHELBY COUNTY AGGIE MOMS PO BOX 671 CENTER, TX 75935	N/A	N/A	EDUCATION	25,000.
SHELBY CO. UNIVERSITY OF TEXAS CLUB 403 NACOGDOCHES ST., STE 1 CENTER, TX 75935	N/A	N/A	EDUCATION	25,000.
CITY OF CENTER PO BOX 1744 CENTER, TX 75935	N/A	N/A	IMPROVEMENTS	2,000.
TOTAL				\$ <u>242,000.</u>