Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

OMB No 1545-0052

2015

Open to Public Inspection

For calendar year 2015, or tax year beginning 01-01-2015 , and ending 12-31-2015

Name of foundation
Sterling-Turner Foundation

A Employer identification number
74-1460482

Number and street (or P O box number if mail is not delivered to street address) 5850 San Felipe
Room/suite

B Telephone number (see instructions)
(713) 237-1117

City or town, state or province, country, and ZIP or foreign postal code
Houston, TX 77057

C If exemption application is pending, check here ▶ ☐

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

D 1. Foreign organizations, check here ▶ ☐

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

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

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

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶$ 53,041,780

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

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

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))*

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ ☑ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	1,952,684	1,952,684		
	5a	Gross rents				
	b	Net rental income or (loss) ______				
	6a	Net gain or (loss) from sale of assets not on line 10	1,903,362			
	b	Gross sales price for all assets on line 6a 1,979,772				
	7	Capital gain net income (from Part IV, line 2)		1,903,362		
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	3,856,046	3,856,046		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	1,300			1,300
	14	Other employee salaries and wages	79,815			79,815
	15	Pension plans, employee benefits	16,800			16,800
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)	38,698	19,349		19,349
	c	Other professional fees (attach schedule)	48,530	48,530		
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	56,353			
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy	25,326			25,326
	21	Travel, conferences, and meetings	3,923			3,923
	22	Printing and publications				
	23	Other expenses (attach schedule)	12,463			12,463
	24	**Total operating and administrative expenses.** Add lines 13 through 23	283,208	67,879		158,976
	25	Contributions, gifts, grants paid	3,312,000			3,312,000
	26	**Total expenses and disbursements.** Add lines 24 and 25	3,595,208	67,879		3,470,976
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	260,838			
	b	**Net investment income** (if negative, enter -0-)		3,788,167		
	c	**Adjusted net income** (if negative, enter -0-)				

Part II **Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing	357,041	132,154	132,154
	2	Savings and temporary cash investments		322,294	322,294
	3	Accounts receivable ▶ Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges	45,000	28,303	28,303
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	3,818,914	3,981,983	52,553,046
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment basis ▶ 133,249 Less accumulated depreciation (attach schedule) ▶ 131,007	2,242	2,242	2,000
	15	Other assets (describe ▶)	3,623	3,983	3,983
	16	**Total assets**(to be completed by all filers—see the instructions Also, see page 1, item I)	4,226,820	4,470,959	53,041,780
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities**(add lines 17 through 22)		0	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☑ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	4,226,820	4,470,959	
	30	**Total net assets or fund balances**(see instructions)	4,226,820	4,470,959	
	31	**Total liabilities and net assets/fund balances**(see instructions)	4,226,820	4,470,959	

Part III **Analysis of Changes in Net Assets or Fund Balances**

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	4,226,820
2	Enter amount from Part I, line 27a	2	260,838
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	4,487,658
5	Decreases not included in line 2 (itemize) ▶	5	16,699
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	4,470,959

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1 a	25,800 shs Exxon Mobil Corp	P	1990-01-01	2015-12-10
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	1,979,772		76,410	1,903,362
b				
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a				1,903,362
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	1,903,362
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))
2014	2,783,005	65,108,509	0 04274
2013	2,690,987	61,745,044	0 04358
2012	2,865,131	59,589,555	0 04808
2011	1,836,039	56,184,397	0 03268
2010	2,008,474	45,253,848	0 04438

2	**Total** of line 1, column (d).	2	0 211468
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 042294
4	Enter the net value of noncharitable-use assets for 2015 from Part X, line 5.	4	56,003,279
5	Multiply line 4 by line 3.	5	2,368,603
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	37,882
7	Add lines 5 and 6.	7	2,406,485
8	Enter qualifying distributions from Part XII, line 4.	8	3,470,976

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

Part VI **Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)**

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 Date of ruling or determination letter ____________ **(attach copy of letter if necessary–see instructions)**		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☑ and enter 1% of Part I, line 27b	**1**	37,882
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**	37,882
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**	37,882
6	Credits/Payments		
a	2015 estimated tax payments and 2014 overpayment credited to 2015 — **6a** 66,185		
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**	66,185
8	Enter any **penalty** for underpayment of estimated tax Check here ☑ if Form 2220 is attached	**8**	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	**9**	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	**10**	28,303
11	Enter the amount of line 10 to be **Credited to 2015 estimated tax** ▶ 28,303 **Refunded** ▶	**11**	

Part VII-A **Statements Regarding Activities**

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	**1a**		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)?	**1b**		No
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c	Did the foundation file **Form 1120-POL** for this year?	**1c**		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ________ **(2)** On foundation managers ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	**2**		No
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	**3**		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	**4a**		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	**4b**		No
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	**5**		No
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	**6**	Yes	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	**7**	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶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*	**8b**	Yes	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2015 or the taxable year beginning in 2015 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	**9**		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	**10**		No

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

			Yes	No
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 ▶www sterlingturnerfoundation org

14 The books are in care of ▶Pat Stilley Telephone no ▶(713) 237-1117

Located at ▶5850 San Felipe Ste 125 Houston TX ZIP +4 ▶77057

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** —Check here . . . . ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year . . . . . . ▶ | 15 |

			Yes	No
16	At any time during calendar year 2015, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		No
	See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) If "Yes", enter the name of the foreign country ▶			

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies. | | Yes | No |

1a During the year did the foundation (either directly or indirectly)

(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☑ No

(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?. . . ☐ Yes ☑ No

(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☑ No

(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☑ Yes ☐ No

(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?. . . ☐ Yes ☑ No

(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). . . ☐ Yes ☑ No

			Yes	No
b	If any answer is "Yes" to 1a(1)–(6), did **any**of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? . . .	1b		No
	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 2015?. . .	1c		No

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 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015?. . . ☐ Yes ☑ No

If "Yes," list the years ▶ 20____ , 20____ , 20____ , 20____

			Yes	No
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all**years listed, answer "No" and attach statement—see instructions). . .	2b		No

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

			Yes	No
b	If "Yes," did it have excess business holdings in 2015 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 2015).* . . .	3b		No
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2015?	4b		No

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

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? . . . ☐ Yes ☑ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☑ No			
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 4945(d)(4)(A)? (see instructions). . . . ☐ Yes ☑ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? . . . ☐ Yes ☑ No			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?	**5b**		No
	Organizations relying on a current notice regarding disaster assistance check here. . . . . ▶ ☐			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? . . . ☐ Yes ☑ No			
	If "Yes," attach the statement required by Regulations section 53 4945–5(d)			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . ☐ Yes ☑ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	**6b**		No
	If "Yes" to 6b, file Form 8870			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☑ No			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	**7b**		No

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

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

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred 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		

Total number of others receiving over $50,000 for professional services. . . . . ▶

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

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1	
2	
3	
4	

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

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

Part X **Minimum Investment Return**
(All domestic foundations must complete this part. Foreign foundations,see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities	1a	558,998
b	Average of monthly cash balances	1b	56,297,123
c	Fair market value of all other assets (see instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	56,856,121
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e: 0		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	56,856,121
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	852,842
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	56,003,279
6	**Minimum investment return.** Enter 5% of line 5	6	2,800,164

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	2,800,164
2a	Tax on investment income for 2015 from Part VI, line 5	2a	37,882		
b	Income tax for 2015 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	37,882
3	Distributable amount before adjustments Subtract line 2c from line 1			3	2,762,282
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	2,762,282
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	2,762,282

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	3,470,976
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	3,470,976
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	37,882
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	3,433,094

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 2014	(c) 2014	(d) 2015
1 Distributable amount for 2015 from Part XI, line 7				2,762,282
2 Undistributed income, if any, as of the end of 2015				
a Enter amount for 2014 only.			446,337	
b Total for prior years 20___ , 20___ , 20___				
3 Excess distributions carryover, if any, to 2015				
a From 2010.				
b From 2011.				
c From 2012.				
d From 2013.				
e From 2014.				
f **Total** of lines 3a through e.				
4 Qualifying distributions for 2015 from Part XII, line 4 ▶ $ 3,470,976				
a Applied to 2014, but not more than line 2a			446,337	
b Applied to undistributed income of prior years (Election required—see instructions).				
c Treated as distributions out of corpus (Election required—see instructions).	0			
d Applied to 2015 distributable amount.				2,762,282
e Remaining amount distributed out of corpus	262,357			
5 Excess distributions carryover applied to 2015 *(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	262,357			
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 2014 Subtract line 4a from line 2a Taxable amount—see instructions				
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2015				0
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 2010 not applied on line 5 or line 7 (see instructions) . . .				
9 **Excess distributions carryover to 2016.** Subtract lines 7 and 8 from line 6a	262,357			
10 Analysis of line 9				
a Excess from 2011. . . .				
b Excess from 2012. . . .				
c Excess from 2013. . . .				
d Excess from 2014. . . .				
e Excess from 2015. . . . 262,357				

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 2015, enter the date of the ruling. . . . . ▶

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

	Tax year	Prior 3 years			(e) Total
	(a) 2015	**(b)** 2014	**(c)** 2013	**(d)** 2012	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon **a** "Assets" alternative test—enter **(1)** Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 **Information Regarding Foundation Managers:**

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

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

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

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

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

Sterling-Turner Foundation
5850 San Felipe Suite 125
Houston, TX 77057
(713) 237-1117
pstilley@stfdn org

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

Application forms and instructions on the Sterling-Turner Foundation website

c Any submission deadlines

Prior to March 1st of each year

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

Awards are limited to Texas public charities which are exempt under 501(c)(3) The charities must be within certain geographic boundaries

Part XV Supplementary Information(continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
See attachment State and zipcode for e-filing purposes, TX 77057	N/A	PC	See attachment	3,312,000
Total . . . . ▶ **3a**				3,312,000
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments. . . .					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities. . .			14	1,952,684	
5 Net rental income or (loss) from real estate					
a Debt-financed property.					
b Not debt-financed property.					
6 Net rental income or (loss) from personal property					
7 Other investment income.					
8 Gain or (loss) from sales of assets other than inventory			18	1,903,362	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory . .					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e). .				3,856,046	

13 Total. Add line 12, columns (b), (d), and (e). **13** 3,856,046

(See worksheet in line 13 instructions to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)

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

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash.	**1a(1)**		No
	(2) Other assets.	**1a(2)**		No
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization.	**1b(1)**		No
	(2) Purchases of assets from a noncharitable exempt organization.	**1b(2)**		No
	(3) Rental of facilities, equipment, or other assets.	**1b(3)**		No
	(4) Reimbursement arrangements.	**1b(4)**		No
	(5) Loans or loan guarantees.	**1b(5)**		No
	(6) Performance of services or membership or fundraising solicitations.	**1b(6)**		No
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees.	**1c**		No

d If the answer to any of the above is "Yes," complete the following schedule Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received

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

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

b If "Yes," complete the following schedule

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

Sign Here

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

******	2016-11-08	******
Signature of officer or trustee	Date	Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ▶ ☑	PTIN
Jody Blazek				P00072674

Firm's name ▶ Blazek & Vetterling

Firm's EIN ▶

Firm's address ▶ 2900 Weslayan Suite 200 Houston, TX 770275132

Phone no (713) 439-5739

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
T R Reckling III 5850 San Felipe St Ste 125 Houston, TX 77057	President 1 00	100		
Isla C Reckling 5850 San Felipe St Ste 125 Houston, TX 77057	Treasurer 1 00	100		
Christiana R McConn 5850 San Felipe St Ste 125 Houston, TX 77057	Sercretary 1 00	100		
Challe W Hawkins 5850 San Felipe St Ste 125 Houston, TX 77057	Asst Secretary 1 00	100		
T R Reckling IV 5850 San Felipe St Ste 125 Houston, TX 77057	Asst Secretary 1 00	100		
James S Reckling 5850 San Felipe St Ste 125 Houston, TX 77057	Asst Secretary 1 00	100		
Blake W Winston 5850 San Felipe St Ste 125 Houston, TX 77057	Asst Secretary 1 00	100		
Stephen M Reckling 5850 San Felipe St Ste 125 Houston, TX 77057	Asst Secretary 1 00	100		
Carroll R Goodman 5850 San Felipe St Ste 125 HOUSTON, TX 77057	Asst Secretary 1 00	100		
John B Reckling 5850 San Felipe St Ste 125 Houston, TX 77057	Asst Secretary 1 00	100		
Thomas K Reckling 5850 San Felipe St Ste 125 Houston, TX 77057	Asst Secretary 1 00	0		
L David Winston 5850 San Felipe St Ste 125 Houston, TX 77057	Asst Secretary 0 00	100		
Bert F Winston III 5850 San Felipe St Ste 125 Houston, TX 77057	Asst Secretary 1 00	0		
Isla C Jornayvaz 5850 San Felipe St Ste 125 Houston, TX 77057	Asst Secretary 1 00	100		
E Carroll Schuler 5850 San Felipe St Ste 125 Houston, TX 77057	Asst Secretary 1 00	100		

TY 2015 Accounting Fees Schedule

Name: Sterling-Turner Foundation

EIN: 74-1460482

Software ID: 15000324

Software Version: 2015v2.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Audit and tax compliance	38,698	19,349	0	19,349

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TY 2015 Investments Corporate Stock Schedule

Name: Sterlıng-Turner Foundatıon
EIN: 74-1460482
Software ID: 15000324
Software Version: 2015v2.0

Name of Stock	End of Year Book Value	End of Year Fair Market Value
16,000 Altrıa Group Inc	235,236	931,360
6,500 Bank of America Corp	300,170	109,395
7,000 Bank of New York Mellon Corp	246,627	288,540
70,000 Coca Cola Co	94,736	3,007,200
546,180 Exxon Mobıle Corp	1,617,574	42,574,731
25,000 General Electrıc Co	42,321	778,750
600 HSBC Hldgs Plc Spon	50,951	23,682
4,000 Johnson & Johnson	47,910	410,880
10,000 Kınder Morgan Inc	239,479	149,200
25,000 Merck & Co Inc New Com	234,794	1,320,500
24,000 Mıcrosoft Corp	629,314	1,331,520
6,000 Phillip Morrıs Intl Inc Com	129,497	527,460
13,850 Procter & Gamble Co	113,374	1,099,828

TY 2015 Land, Etc. Schedule

Name: Sterling-Turner Foundation

EIN: 74-1460482

Software ID: 15000324

Software Version: 2015v2.0

Category / Item	Cost / Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
Furniture and Fixtures	133,249	131,007	2,242	2,000

TY 2015 Other Assets Schedule

Name: Sterling-Turner Foundation

EIN: 74-1460482

Software ID: 15000324

Software Version: 2015v2.0

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
Deposit	3,623	3,983	3,983

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TY 2015 Other Decreases Schedule

Name: Sterling-Turner Foundation

EIN: 74-1460482

Software ID: 15000324

Software Version: 2015v2.0

Description	Amount
Audit adjustment	16,699

TY 2015 Other Expenses Schedule

Name: Sterling-Turner Foundation

EIN: 74-1460482

Software ID: 15000324

Software Version: 2015v2.0

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Insurance	4,138			4,138
Office expense	8,022			8,022
Other administrative expenses	303			303

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TY 2015 Other Professional Fees Schedule

Name: Sterling-Turner Foundation

EIN: 74-1460482

Software ID: 15000324

Software Version: 2015v2.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Investment Advisory Fees	48,530	48,530	0	0

TY 2015 Taxes Schedule

Name: Sterling-Turner Foundation

EIN: 74-1460482

Software ID: 15000324

Software Version: 2015v2.0

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Excise tax	56,353			

Part XV, Line 3a - Grants and Contributions Paid During the Year

Grantee Name and Address	Status	Purpose	Amount
Alley Theatre 615 Texas Avenue, Houston, TX 77002	PC	Operating funds	$ 35,000
Annunciation Orthodox School 3600 Yoakum Blvd, Houston, TX 77006	PC	Building fund	100,000
Austin Smiles P O Box 26694, Austin, TX 78755	PC	Operating funds	30,000
BCFS Health and Human Services 550 Earl Garrett, Suite 114, Kerrville, TX 78028	PC	Operating funds	30,000
Big Brother Big Sisters 500 Dallas St , Suite 2900, Houston 77002	PC	Operating funds	15,000
Bridges to Life P O Box 570895, Houston, TX 77257-0895	PC	Operating funds	10,000
Buffalo Bayou Partnership 1113 Vine Street, Suite 215, Houston, TX 77002	PC	Operating funds	15,000
Buffalo Soldiers National Museum 3816 Caroline Street, Houston, TX 77004	PC	Operating funds	10,000
CanCare of Houston 9575 Katy Fwy , Suite 428, Houston, TX 77024	PC	Operating funds	25,000
Casa de Esperanza de los Ninos P O Box 66581, Houston, TX 77266-6581	PC	Operating funds	30,000
Center for Hearing and Speech 3636 West Dallas, Houston, TX 77019	PC	Operating funds	25,000
Child Advocates 2401 Portsmouth St, Ste 210, Houston, TX 77098	PC	Court service program	17,000
Children's Museum of Houston 1500 Binz, Houston, TX 77004	PC	Operating funds	25,000
Chinquapin Preparatory School 2615 E Wallisville Rd , Highlands, TX 77562	PC	Operating funds	25,000
Clayton Dabney (Houston) 11 Greenway Plaza, Suite 3175, Houston, TX 77046	PC	Operating funds	50,000
Concordia Lutheran Church 16801 Huebner Rd , San Antonio, TX 78258	PC	General support	35,000
Crime Stoppers of Houston P O Box 541654, Houston, TX 77254	PC	Operating funds	10,000
Cystic Fibrosis Foundation (Houston) 50 Briar Hollow Ln , Houston, TX 77027	PC	Operating funds	15,000
Discovery Green Conservancy 1500 McKinney, Houston, TX 77010	PC	General support	25,000
Epilepsy Foundation 2401 Fountain View Dr , Suite 900, Houston, TX 77057	PC	Time to Shine Gala	10,000
Hill Country Arts Foundation P O Box 1169, Ingram, TX 78025	PC	Operating funds	25,000
Hill Country CASA P O Box 290965, Kerrville, TX 78029	PC	Operating funds	25,000

Part XV, Line 3a - Grants and Contributions Paid During the Year

Grantee Name and Address	Status	Purpose	Amount
Hill Country Youth Ranch P O Box 67, Ingram, TX 78025	PC	Operating funds	50,000
HITS Theatre 311 W 18th Street, Houston, TX 77008	PC	Operating funds	5,000
Houston Arboretum and Nature Center 4501 Woodway Dr , Houston, TX 77024	PC	Operating funds	10,000
Houston Ballet 601 Preston Street, Houston, TX 77002	PC	Operating funds	35,000
Houston Center for Literacy 230 Portsmouth St, Ste 230, Houston, TX 77098	PC	Operating funds	20,000
Houston Grand Opera 510 Preston Street, Houston, TX 77002	PC	Operating funds	35,000
Houston Livestock Show and Rodeo 3 NRG Park, Houston, TX 77054	PC	Scholarships	18,000
Houston Museum of Natural Science 5555 Hermann Park Dr , Houston, TX 77030	PC	Operating funds	35,000
Houston Parks Board 300 N Post Oak Ln , Houston, TX 77024	PC	Bayou Greenways	50,000
Houston Symphony 615 Louisiana Street, Suite 102, Houston, TX 77002	PC	Operating funds	35,000
Houston Zoo 1513 Cambridge Street, Houston, TX 77030	PC	Operating funds	35,000
Kids' Meals Inc. 330 Garden Oaks Blvd , Houston, TX 77018	PC	Operating funds	15,000
Kinkaid School, Inc. 201 Kinkaid School Dr , Houston, TX 77024	PC	Building Together Campaign	100,000
Lady Bird Johnson Wildflower Center 4801 La Crosse Ave , Austin, TX 78739	PC	Operating funds	5,000
Lord of the Streets 3401 Fannin Street, Houston, TX 77004	PC	Operating funds	15,000
MATCH 3400 Main Street, Houston, TX 77002	PC	Start-up funding	50,000
Museum of Fine Arts P O Box 6826, Houston, TX 77265-6826	PC	Rienzi building fund	200,000
Neighborhood Centers P O Box 271389, Houston, TX 77277-1389	PC	Operating funds	10,000
Open Door Mission P O Box 9356, Houston, TX 77261-9356	PC	Operating funds	15,000
Pathways for Little Feet 8 Greenway Plaza, Suite 1000, Houston, TX 77046	PC	Loans for adoption	10,000
Periwinkle Foundation 3400 Bissonnet Street, Suite 185, Houston, TX 77005	PC	Operating funds	10,000
Rise School of Houston 5618 H Mark Crosswell Jr Street, Houston, TX 77021	PC	Operating funds	10,000

Part XV, Line 3a - Grants and Contributions Paid During the Year

Grantee Name and Address	Status	Purpose	Amount
Salvation Army 1500 Austin Street, Houston, TX 77002	PC	Operating funds	15,000
San Angelo Museum of Fine Arts One Love Street, San Angelo, TX 76903	PC	General support	100,000
Schreiner University 2100 Memorial Blvd , CMB 6229, Kerrville, TX 78028	PC	HC College Fund	30,000
Seal Legacy Foundation 2525 Wallingwood, Austin, TX 78746	PC	Underwrite golf tournament	25,000
Sire 24161 Spring Dr , Hockley, TX 77447	PC	Operating funds	10,000
Small Steps Nurturing Center 2902 Jensen Dr , Houston, TX 77026	PC	Operating funds	25,000
Spaulding for Children 8582 Katy Fwy, Suite 100, Houston, TX 77024	PC	Operating funds	10,000
St. Agnes Academy 9000 Bellaire Blvd , Houston, TX 77036	PC	Tuition assistance	17,000
St. Luke's Center for Counseling 2714 Joanel Street, Houston, TX 77027	PC	General support	10,000
St. Thomas High School 4500 Memorial Dr , Houston, TX 77007-7332	PC	Building fund	240,000
St. Thomas High School 4500 Memorial Dr , Houston, TX 77007-7332	PC	Underwrite golf tournament	15,000
Stages, Inc. 3201 Allen Pkwy , Suite 101, Houston, TX 77019	PC	Building fund	200,000
Star of Hope 6897 Ardmore, Houston, TX 77054	PC	Operating funds	15,000
Strake Jesuit College Preparatory 8900 Bellaire Blvd , Houston, TX 77036	PC	Capital campaign	50,000
Summerhouse, The 1814 Columbia Street, Houston, TX 77008	PC	Operating funds	25,000
Taping for the Blind (Sight into Sound) 3935 Essex Lane, Houston, TX 77027	PC	Operating funds	10,000
Texas Children's Hospital 1919 South Braeswood, Suite 5214, Houston, TX	PC	Hope House Fund	375,000
Texas Education Works (Western Academy) 1511 Butlercrest St, Houston, TX 77080	PC	Challenge grant	100,000
Texas Parks and Wildlife 2914 Swiss Ave , Dallas, TX 75204	PC	Steward of the Wild program	10,000
University of Houston 3204 Cullen Blvd , Suite 2002, Houston, TX 77204	PC	Bert F Winston, Jr Band and Performance Center	500,000
Women's Home 607 Westheimer Rd , Houston, TX 77006	PC	Operating funds	50,000
Woods Project 6 Sleepy Oaks Circle, Houston, TX 77024	PC	Operating funds	20,000

Part XV, Line 3a - Grants and Contributions Paid During the Year

Grantee Name and Address	Status	Purpose	Amount
Workshop Houston P O Box 88365, Houston, TX 77288-8365	PC	General support	75,000
YMCA of Greater Houston 1331 Augusta Dr , Houston, TX 77057	PC	Partners in Youth	15,000
Zina Garrison All Court Tennis Academy 12335 Kingsride #106, Houston, TX 77024	PC	Operating funds	15,000
TOTAL FOR YEAR			**$ 3,312,000**