Extended to November 15, 2016

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 separate instructions is at *www.irs.gov/form990pf*.

OMB No 1545-0052

2015

Open to Public Inspection

For calendar year 2015 or tax year beginning , and ending

Name of foundation: Gene Conley Foundation

A Employer identification number: 75-2224430

Number and street (or P O box number if mail is not delivered to street address): IFS Fid Tax, 1 W. 4th Street, MAC D4000 — Room/suite:

B Telephone number: 336-747-8667

City or town, state or province, country, and ZIP or foreign postal code: Winston-Salem, NC 27101

C If exemption application is pending, check here ▶ ☐

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

D 1. Foreign organizations, check here ▶ ☐

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

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

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

I Fair market value of all assets at end of year (*from Part II, col. (c), line 16*) ▶$ 8,596,371.15

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))	(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			N/A	
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	127,960.46	127,960.46		Statement 1
5a Gross rents	69,748.26	69,748.26		Statement 2
b Net rental income or (loss) 64,999.56				Statement 3
6a Net gain or (loss) from sale of assets not on line 10	<108,823.58>			
b Gross sales price for all assets on line 6a 979,508.18				
7 Capital gain net income (from Part IV, line 2)		0.00		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss)				
11 Other income	217,349.03	217,349.03		Statement 4
12 **Total.** Add lines 1 through 11	306,234.17	415,057.75		
Operating and Administrative Expenses				
13 Compensation of officers, directors, trustees, etc	88,215.19	62,486.39		25,728.80
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees Stmt 5	13,300.00	7,315.00		5,985.00
c Other professional fees				
17 Interest				
18 Taxes Stmt 6	34,735.35	31,553.75		0.00
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses Stmt 7	13,717.59	13,717.59		0.00
24 **Total operating and administrative expenses.** Add lines 13 through 23	149,968.13	115,072.73		31,713.80
25 Contributions, gifts, grants paid	550,311.00			550,311.00
26 **Total expenses and disbursements.** Add lines 24 and 25	700,279.13	115,072.73		582,024.80
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	<394,044.96>			
b **Net investment income** (if negative, enter -0-)		299,985.02		
c **Adjusted net income** (if negative, enter -0-)			N/A	

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523501 11-24-15 LHA For Paperwork Reduction Act Notice, see instructions.

Form **990-PF** (2015)

9/6 a

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

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing		617.74	617.74
	2 Savings and temporary cash investments	1,054,353.98	1,153,387.11	1,153,387.11
	3 Accounts receivable ▶ 52,935.81			
	Less: allowance for doubtful accounts ▶	35,797.94	52,935.81	52,935.81
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	2,653.81	3,000.00	3,000.00
	10a Investments - U.S. and state government obligations Stmt 8	51,896.10	51,896.10	50,466.00
	b Investments - corporate stock Stmt 9	4,608,945.26	4,148,006.97	4,705,359.97
	c Investments - corporate bonds Stmt 10	127,646.45	77,404.85	80,377.50
	11 Investments - land, buildings, and equipment: basis ▶ 401,100.40			
	Less accumulated depreciation Stmt 11▶ 175.00	400,925.40	400,925.40	1,529,812.22
	12 Investments - mortgage loans			
	13 Investments - other Stmt 12	34,023.00	34,023.00	1,020,413.80
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶ Schedule 6)	1.00	1.00	1.00
	16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	6,316,242.94	5,922,197.98	8,596,371.15
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			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	0.00	0.00	
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 ▶ [X] and complete lines 27 through 31			
	27 Capital stock, trust principal, or current funds	1,091,276.98	1,091,276.98	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.00	0.00	
	29 Retained earnings, accumulated income, endowment, or other funds	5,224,965.96	4,830,921.00	
	30 **Total net assets or fund balances**	6,316,242.94	5,922,197.98	
	31 **Total liabilities and net assets/fund balances**	6,316,242.94	5,922,197.98	

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	6,316,242.94
2	Enter amount from Part I, line 27a	2	<394,044.96>
3	Other increases not included in line 2 (itemize) ▶	3	0.00
4	Add lines 1, 2, and 3	4	5,922,197.98
5	Decreases not included in line 2 (itemize) ▶	5	0.00
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	5,922,197.98

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	Schedule 3	P	Various	Various
b	Schedule 3	P	Various	Various
c	Capital Gains Dividends			
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	102,819.85		120,420.35	<17,600.50>
b	833,594.61		967,911.41	<134,316.80>
c	43,093.72			43,093.72
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				<17,600.50>
b				<134,316.80>
c				43,093.72
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	<108,823.58>
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). If (loss), enter -0- in Part I, line 8	3	N/A

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 (col. (b) divided by col. (c))
2014	506,419.42	12,254,282.08	.041326
2013	407,332.61	10,232,893.62	.039806
2012	370,011.52	8,022,308.78	.046123
2011	352,407.44	7,665,113.20	.045976
2010	327,130.98	7,196,626.29	.045456

2 Total of line 1, column (d)	2	.218687
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	.043737
4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	10,216,921.41
5 Multiply line 4 by line 3	5	446,857.49
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	2,999.85
7 Add lines 5 and 6	7	449,857.34
8 Enter qualifying distributions from Part XII, line 4	8	582,024.80

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)

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 ▶ [X] and enter 1% of Part I, line 27b			1	2,999.85
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	0.00
3	Add lines 1 and 2			3	2,999.85
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			4	0.00
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-			5	2,999.85
6	Credits/Payments:				
a	2015 estimated tax payments and 2014 overpayment credited to 2015	6a	14,843.81		
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	14,843.81
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	11,843.96
11	Enter the amount of line 10 to be: **Credited to 2016 estimated tax** ▶		3,000.00 Refunded ▶	11	8,843.96

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		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)?	1b		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 **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ $ 0.00 (2) On foundation managers ▶ $ 0.00			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.00			
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		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*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		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?	6	X	
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	X	
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	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 2015 or the taxable year beginning in 2015 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

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		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ Wells Fargo Bank, N.A. Telephone no ▶ 336-747-8667

Located at ▶ 1 W. 4th Street, MAC D4000-041, Winston-Salem, NC ZIP+4 ▶ 27101

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 N/A

			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		X
	See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ▶			

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

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

			Yes	No
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		X
	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		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)).			
a	At the end of tax year 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 ▶ ____, ____, ____, ____			
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.) N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ ____, ____, ____, ____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ 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.)* N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2015?	4b		X

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

5a During the year did the foundation pay or incur any amount to:				
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	☐ Yes ☒ No			
(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	☐ Yes ☒ No			
(3) Provide a grant to an individual for travel, study, or other similar purposes?	☐ Yes ☒ No			
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions)	☐ Yes ☒ No			
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	☐ Yes ☒ No			
b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?	N/A	5b		
Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? 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.

(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
Schedule 10	0.00	83,315.19	0.00	0.00
Schedule 10	0.00	4,900.00	0.00	0.00

2 Compensation of five highest-paid employees (other than those included on line 1). 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

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Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)*

3 Five highest-paid independent contractors for professional services. 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

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 ▶	0.00

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	5,553,761.98
b	Average of monthly cash balances		1b	956,577.63
c	Fair market value of all other assets		1c	3,862,169.44
d	**Total** (add lines 1a, b, and c)		1d	10,372,509.05
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e 0.00		
2	Acquisition indebtedness applicable to line 1 assets		2	0.00
3	Subtract line 2 from line 1d		3	10,372,509.05
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	155,587.64
5	**Net value of noncharitable-use assets** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	10,216,921.41
6	**Minimum investment return.** Enter 5% of line 5		6	510,846.07

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	510,846.07
2a	Tax on investment income for 2015 from Part VI, line 5	2a 2,999.85		
b	Income tax for 2015. (This does not include the tax from Part VI.)	2b		
c	Add lines 2a and 2b		2c	2,999.85
3	Distributable amount before adjustments. Subtract line 2c from line 1		3	507,846.22
4	Recoveries of amounts treated as qualifying distributions		4	0.00
5	Add lines 3 and 4		5	507,846.22
6	Deduction from distributable amount (see instructions)		6	0.00
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1		7	507,846.22

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	582,024.80
b	Program-related investments - total from Part IX-B	1b	0.00
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	582,024.80
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	5	2,999.85
6	**Adjusted qualifying distributions** Subtract line 5 from line 4	6	579,024.95

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				507,846.22
2 Undistributed income, if any, as of the end of 2015				
a Enter amount for 2014 only			527,983.39	
b Total for prior years: ____, ____, ____		0.00		
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	0.00			
4 Qualifying distributions for 2015 from Part XII, line 4: ▶ $ 582,024.80				
a Applied to 2014, but not more than line 2a			527,983.39	
b Applied to undistributed income of prior years (Election required - see instructions)		0.00		
c Treated as distributions out of corpus (Election required - see instructions)	0.00			
d Applied to 2015 distributable amount				54,041.41
e Remaining amount distributed out of corpus	0.00			
5 Excess distributions carryover applied to 2015 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.00			0.00
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.00			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.00		
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		0.00		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.00		
e Undistributed income for 2014. Subtract line 4a from line 2a. Taxable amount - see instr.			0.00	
f Undistributed income for 2015. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2016				453,804.81
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)	0.00			
8 Excess distributions carryover from 2010 not applied on line 5 or line 7	0.00			
9 **Excess distributions carryover to 2016.** Subtract lines 7 and 8 from line 6a	0.00			
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				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2015, enter the date of the ruling ▶

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

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

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

1 **Information Regarding Foundation Managers:**

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

None

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

None

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

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

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

See Statement 13

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 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*				
Schedule 5	None	Public	Various	550,311.00
Total			▶ 3a	550,311.00
b *Approved for future payment*				
None				
Total			▶ 3b	0.00

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14		
4 Dividends and interest from securities			14	127,960.46	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property			16	64,999.56	
6 Net rental income or (loss) from personal property					
7 Other investment income			14	217,349.03	
8 Gain or (loss) from sales of assets other than inventory			18	<108,823.58>	
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)		0.00		301,485.47	0.00

13 Total Add line 12, columns (b), (d), and (e) 13 301,485.47

(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).
	N/A

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)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

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
		N/A	

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
N/A		

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

WELLS FARGO BANK, N.A.
BY STACEY ASHTON
ASST VICE PRES & TRUST OFFICER

Signature of officer or trustee — Date 11/11/16 — Title ▶ Trust Tax officer

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
Mac Cannedy	Mac Cannedy	11/1/16		P00123468
Firm's name ▶ Freemon, Shapard & Story			Firm's EIN ▶ 75-0706311	
Firm's address ▶ 807 8th Street, 2nd Floor Wichita Falls, TX 76301-3381			Phone no. (940)322-4436	

523622
11-24-15

Form 990-PF Dividends and Interest from Securities Statement 1

Source	Gross Amount	Capital Gains Dividends	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
Schedule 2	171,054.18	43,093.72	127,960.46	127,960.46	
To Part I, line 4	171,054.18	43,093.72	127,960.46	127,960.46	

Gene Conley Foundation 75-2224430

Form 990-PF	Rental Income	Statement 2

Kind and Location of Property	Activity Number	Gross Rental Income
Farm Rental - Hardeman County, TX	1	69,748.26
Total to Form 990-PF, Part I, line 5a		69,748.26

Gene Conley Foundation 75-2224430

Form 990-PF	Rental Expenses	Statement 3

Description	Activity Number	Amount	Total
Farm rental - Ad valorem taxes		4,377.95	
Farm rental - Insurance		263.50	
Farm rental - Other		107.25	
- SubTotal -	1		4,748.70
Total rental expenses			4,748.70
Net rental Income to Form 990-PF, Part I, line 5b			64,999.56

Form 990-PF Other Income Statement 4

Description	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
Gross oil & gas royalties - Hardeman County, Tx	211,562.40	211,562.40	
Other income	5,786.63	5,786.63	
Total to Form 990-PF, Part I, line 11	217,349.03	217,349.03	

Form 990-PF Accounting Fees Statement 5

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Accounting fees - Tax return preparation	7,315.00	7,315.00		0.00
Accounting fees - Charitable distribution planning	5,985.00	0.00		5,985.00
To Form 990-PF, Pg 1, ln 16b	13,300.00	7,315.00		5,985.00

Form 990-PF Taxes Statement 6

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Federal excise	3,181.60	0.00		0.00
Royalties - Gross production	9,859.46	9,859.46		0.00
Royalties - Ad valorem	14,587.11	14,587.11		0.00
Foreign	2,729.23	2,729.23		0.00
Farm Rental - Ad valorem	4,377.95	4,377.95		0.00
To Form 990-PF, Pg 1, ln 18	34,735.35	31,553.75		0.00

Form 990-PF | Other Expenses | Statement 7

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Farm rental - Insurance	263.50	263.50		0.00
Farm rental - Other	107.25	107.25		0.00
Miscellaneous	160.91	160.91		0.00
Royalty - Other	13,185.93	13,185.93		0.00
To Form 990-PF, Pg 1, ln 23	13,717.59	13,717.59		0.00

Form 990-PF U.S. and State/City Government Obligations Statement 8

Description	U.S. Gov't	Other Gov't	Book Value	Fair Market Value
Schedule 6	X		51,896.10	50,466.00
Total U.S. Government Obligations			51,896.10	50,466.00
Total State and Municipal Government Obligations				
Total to Form 990-PF, Part II, line 10a			51,896.10	50,466.00

Form 990-PF | Corporate Stock | Statement 9

Description	Book Value	Fair Market Value
Schedule 6	4,148,006.97	4,705,359.97
Total to Form 990-PF, Part II, line 10b	4,148,006.97	4,705,359.97

Form 990-PF Corporate Bonds Statement 10

Description	Book Value	Fair Market Value
Schedule 6	77,404.85	80,377.50
Total to Form 990-PF, Part II, line 10c	77,404.85	80,377.50

Form 990-PF Depreciation of Assets Held for Investment Statement 11

Description	Cost or Other Basis	Accumulated Depreciation	Book Value
Land & Improvements	400,925.40	0.00	400,925.40
Stock Tank	175.00	175.00	0.00
Total to Fm 990-PF, Part II, ln 11	401,100.40	175.00	400,925.40

Gene Conley Foundation 75-2224430

Form 990-PF	Other Investments		Statement 12
Description	Valuation Method	Book Value	Fair Market Value
Schedule 6	FMV	34,023.00	1,020,413.80
Total to Form 990-PF, Part II, line 13		34,023.00	1,020,413.80

Form 990-PF Grant Application Submission Information Statement 13
Part XV, Lines 2a through 2d

Name and Address of Person to Whom Applications Should be Submitted

Stacey Ashton, Wells Fargo Bank, N.A.
1 W. 4th Street. MAC D4000-041
Winston-Salem, NC 27101

Form and Content of Applications

See copy of Grant Application which must be used(no substitutions), attached as Exhibit 13A to this statement.

Any Submission Deadlines

Annually by May 1; Awards granted mid-year.

Restrictions and Limitations on Awards

The purpose of each grant must preferably serve a substantial constituency of North Texas. Each grant must be used to render services primarily for medical care, general care, the arts, or science education of persons age 18 or younger, preferably for direct client services.

Exhibit 13A

The Gene Conley Foundation
Wells Fargo Bank, N.A.
Private Client Services
P. O. Box 9129
Wichita Falls, Texas 76308
(940) 766-8312

Private Client Services
2301 Kell Boulevard
P O Box 9129
Wichita Falls, TX 76308
940 766-8301
940 766-8303 Fax

Grant Application

***DEADLINE - MAY 1ST*: Grant Applications must be received by the Foundation by May 1st or the preceding business day if May 1st is on a weekend.** *Questions must be answered using this original form and in the spaces allocated. Continuation sheets and/or attachments will not be accepted. Computer substitutions are not acceptable.*

Please mail applications to the above address or deliver to the Gene Conley Foundation at Wells Fargo Bank, 2301 Kell Boulevard, Wichita Falls, Texas. *Faxes will not be accepted. Please provide the original and 8 copies of the application and all enclosures for a total of 9 sets. Please use only 3-hole-punched letter-size paper. Also, please do not use staples, clips, binders, folders, envelopes, etc., as all applications and enclosures will be put into a large three-ring binder.*

The purpose of each grant must preferably serve a constituency in the North Texas area. Additionally, each grant must be used to render services primarily for medical care, general care or the education of persons ages 18 or younger. *The Gene Conley Foundation prefers to provide funding for direct client services. Funding for successive years should not be assumed by grant applicants.*

Funds for grants will be distributed each year by approximately July 31st.

Successful grant applicants will be required to certify to the Foundation, in writing, that the grant was used for the purposes as stated in the Grant Application.

---

1. Legal name of organization______________________________

2. Street Address______________________________
City______________________ State__________ Zip______________
Phone number__________________ Fax number__________________
e-mail address______________________________

3. Date organization established______________ Tax ID #________________

4. Person to contact regarding grant application:
Name______________________ Title______________________
Phone number__________________ Fax number__________________
e-mail address______________________________

5. Organization's mission statement

6. Description of organization

7. Amount requested $

8. Requested funds will be used for

9. Budget information for project for which funds requested - please enclose.

10. Funds currently committed for project

11. Others requested to support project

12. Geographic area to be served with requested funds________________________

____

____

13. Population to be served by project and number of people expected to benefit from project____

____

____

14. How will funding for project continue beyond the grant funding?______________

____

____

____

15. How will organization publicly recognize the Conley Foundation for the grant?

____

____

____

16. Outstanding debt $______________
Annual debt service $____________
Plans to reduce/eliminate debt ____

____

____

____

17. Endowment assets $_____________
Amount available for annual distribution $_______________
Restrictions on endowment distributions _______________________________

____

____

____

18. Enclosures with the application must include:

- Copy of 501(c)(3) letter from Internal Revenue Service
- Copy of most current IRS Form 990 (if required to file)
- List of current members of Board of Directors and corporate officers
- Copy of current year's interim financial statements, including balance sheet and income statement
- Copy of previous year's audited financial statements, including:
  Statement of Financial Condition (Balance Sheet)
  Statement of Resources and Expenditures (Income Statement)
- Budget information for project for which funds requested

19. Changes in Funding & Data:

Please advise the Gene Conley Foundation in writing, together with documentation, of any changes in funding or data received, from any source, toward the specific grant project. These changes must be received by June 30th or the preceding business day if June 30th is on a weekend. Such data changes may include, but are not limited to, audited financial statements and the Form 990. Please submit the original and 8 copies of any written notices and documentation, again using 3-hole punched letter-size paper.

The enclosed information is correct to the best of my knowledge and belief in support of this grant application which has been authorized by the Board of Directors of this organization. I also affirm that no change has occurred in the exempt status, purpose, character or method of operation of the organization subsequent to the issuance of its IRS letter advising that the applicant is a tax-exempt charitable entity.

Executive Director	Board Chairperson
Date____________________	Date____________________
Signature__________________	Signature__________________
Printed Name________________	Printed Name________________

2015 DEPRECIATION AND AMORTIZATION REPORT

Farm Rental - Hardeman County, TX RENT 1

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
1	Land & Improvements	031687	L			400925.40			400925.40			0.00
2	Stock Tank	112189	200DB	7.00	17	175.00			175.00	175.00		0.00
	* Total 990-PF Rental Depr					401100.40		0.00	401100.40	175.00	0.00	0.00

528102 04-01-15

(D) - Asset disposed

* ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction

Schedule 1

REVENUE AND EXPENSES

GENE CONLEY FOUNDATION - TIN 75-2224430

Year 2015

REVENUE				
Dividends and interest from securities - Sch 2			$	127,960 46
Gross rents Farm Rental - Hardeman County, Texas				69,748 26
Less. Ad valorem taxes	$ 4,377 95			
Insurance	263 50			
Other	107 25	$ 4,748 70		
Net rental income		$ 64,999 56		
Net gain (loss) from sale of assets - Sch. 3				(108,823 58)
Other income				
Gross oil & gas royalties - Hardeman County, Texas - Sch 4		$ 211,562 40		
Other income		5,786 63		
From partnerships				
Graham Alternative Investment Fund	$			217,349 03
Total revenue			$	306,234 17
EXPENSES				
Compensation of officers and directors - Sch 10		$ 88,215 19		
Accounting fees		13,300 00		
Taxes				
Excise	$ 2,999 85			
Excise tax prior year	181 75			
Royalties - gross production	9,859 46			
Royalties - ad valorem	14,587 11			
Foreign	2,729 23			
Farm rental - ad valorem	4,377 95	34,735 35		
Other				
Farm rental - insurance	$ 263 50			
Farm rental - other	107 25			
Royalty - Other	13,185 93			
Miscellaneous	160 91			
Grants expense				
From partnerships				
Graham Alternative Investment Fund		13,717 59		
Contributions - Sch 5		550,311 00		700,279 13
Excess of revenues over expenses			$	(394,044 96)

Schedule 2

DIVIDENDS AND INTEREST FROM SECURITIES

GENE CONLEY FOUNDATION - TIN 75-2224430

Year 2015

	Totals	Ordinary Income	Long Term Capital Gain Distributions
DIVIDENDS			
Aberdeen Emerg Markets	$ 5,219 83	$ 3,168 23	$ 2,051 60
Ameriprise Financial	221 10	221 10	
Anheuser-Busch Inbev Spn Adr	964 06	964 06	
Apache	270 50	270 50	
Apple Computer	1,474 99	1,474 99	
Artio Global High Income	8,642 73	8,642 73	
Artisan International Fund	1,140 50	1,140 50	
Baxter International	570 96	570 96	
Blackrock	531 92	531 92	
Boeing	1,102 92	1,102 92	
CVS/Caremark	596 40	596 40	
Celanese Corp	581 90	581 90	
Chambers Street Properties	2,590 35	2,493 45	96 90
Cisco Systems	1,159 06	1,159 06	
Citigroup	105 06	105 06	
CME Group	1,500 00	1,500 00	
Comcast	654 05	654 05	
Cummins	958 24	958 24	
Diago PLC	597 45	597 45	
Disney Walt	809 07	809 07	
EMC Corp Mass	411 24	411 24	
Federated Treas Obl Fund	130 35	130 35	
GAI Mesirow Insight Fund	6,194 95	6,194 95	
GAI Agility Income Fund	7,329 72	5,197 79	2,131 93
Gateway Fund	227 89	227 89	
Gilead Sciences	310 89	310 89	
Goldman Sachs Group	289 10	289 10	
HSBC - ADR	1,457 50	1,457 50	
International Business Machines	351 50	351 50	
Ishares Barclays Aggregate Bond Fund	6,872 84	6,872 84	
Ishares Iboxx Inv Gr Corp Bd Fd	10,198 99	10,198 99	
Ishares MSCI Eafe	3,880 39	3,880 39	
JP Morgan Chase & Co	1,048 76	1,048 76	
Johnson Controls	556 92	556 92	
Las Vegas Sands	1,073 80	1,073 80	
McKesson	175 56	175 56	
Merger Fd Sh Ben Int	1,105 73	1,105 73	
Microsoft Corp	1,021 02	1,021 02	
Monsanto Co New	220 58	220 58	
National Oilwell	425 96	425 96	
Nestle SA Registered Shares Adr	717 02	717 02	
Oakmark Intl Fund	9,315 36	4,489 99	4,825 37
Oracle	347 70	347 70	
PNC Financial Services	316 20	316 20	
Pimco Foreign Bond Fund	1,604 80	1,604 80	

	Totals	Ordinary Income	Long Term Capital Gain Distributions
Pimco Emerging Local Bond Is	2,304 06	2,304 06	
Principal MidCap	3,788 40	76 22	3,712 18
Proceeds from Security Litigation	261 61		261 61
Robeco BP Lng/Shrt	4,583 94		4,583 94
Roche Holdings	616 38	616 38	
Royce Premier Fund W Class	26,455 95	1,025 76	25,430 19
Schlumberger Ltd	834 50	834 50	
Spdr DJ Wilshire International Real	776 18	776 18	
Spdr S&P Midcap 400 ETF Trust	6,020 54	6,020 54	
Suncor Energy	571 52	571 52	
TJX Cos Inc New	335 55	335 55	
Target Corp	872 64	872 64	
Total Fina Elf SA Adr	1,231 96	1,231 96	
T Rowe Price Short Term Bond Fund	2,243 62	2,243 62	
T Rowe Price Inst Float Rate	4,980 20	4,980 20	
Templeton Global Bond Fund	10,182 15	10,182 15	
Thermo Fisher Scientific	110 25	110 25	
US Bancorp	330 76	330 76	
Union Pacific	1,083 70	1,083 70	
United Healthgroup	663 63	663 63	
United Parcel Service	657 00	657 00	
Vanguard Emerging Markets	4,809 88	4,809 88	
Vanguard Reit Viper	3,961 01	3,961 01	
Totals - Dividends	$ 162,951 29	$ 119,857 57	$ 43,093 72
INTEREST			
Corporate interest			
Berkshire Hathaway	$ 1,212 50	$ 1,212 50	$
Caterpillar Finl Svcs	4,390 39	4,390 39	
Totals - Corporate interest	$ 5,602 89	$ 5,602 89	$
U S government interest			
Federal National Mortgage Assn	$ 2,500 00	$ 2,500 00	$
Totals - U S government interest	$ 2,500 00	$ 2,500 00	$
Other interest from partnerships			
None	$	$	$
Totals - Partnership interest	$	$	$
Totals - Interest	$ 8,102 89	$ 8,102 89	$
Totals - Dividends and interest	$ 171,054 18	$ 127,960 46	$ 43,093 72

Schedule 3

NET GAIN OR LOSS FROM SALE OF ASSETS

GENE CONLEY FOUNDATION - TIN 75-2224430

Year 2015

Description	Face/ Shares	Date Acquired	Date Sold	Sales Price	Cost or Basis	Gain/ (Loss)
Short term						
Anheuser-Busch	30 00	06/18/15	12/18/15	$ 3,700 90	$ 3,689 10	$ 11 80
Apache	113 00	various	07/29/15	5,282 53	6,856 53	(1,574 00)
National Oil Well	129 00	07/03/13	07/08/15	5,788 74	9,654 32	(3,865 58)
Vanguard Emerging Markets	2,520 00	12/11/14	10/30/15	88,047 68	100,220 40	(12,172 72)
Total - Short Term				$ 102,819 85	$ 120,420 35	$ (17,600 50)
Long term						
Anheuser-Busch	231 00	02/28/12	12/18/15	$ 28,496 97	$ 15,442 33	$ 13,054 64
Apache	267 00	various	07/29/15	12,481 70	27,341 22	(14,859 52)
Baxter Intl	366 00	various	06/18/15	25,354 45	25,468 16	(113 71)
Berkshire Hathaway	50,000 00	08/27/08	01/15/15	50,000 00	50,244 50	(244 50)
Chambers Street Properties	9,782 00	02/28/08	12/16/15	71,623 46	63,667 17	7,956 29
Walt Disney	24 00	various	07/08/15	2,769 33	746 11	2,023 22
EMC Corp Mass	894 00	various	10/27/15	23,238 38	14,482 71	8,755 67
Gateway Fund	1,883 42	04/16/10	05/19/15	57,180 72	48,215 63	8,965 09
Goldman Sachs Group	13 00	02/28/12	07/08/15	2,656 63	1,517 88	1,138 75
Google	0 18	02/28/12	05/06/15	100 91	55 77	45 14
International Business Machines	95 00	06/18/13	08/10/15	14,895 90	19,496 89	(4,600 99)
Ishares Gold Trust	3,145 00	01/01/01	various	32,229 63	32,883 67	(654 04)
Ivy Asset Strategy Fund Class	1,952 95	04/16/10	01/26/15	50,737 59	44,663 92	6,073 67
JP Morgan Chase & Co	41 00	04/16/10	07/08/15	2,682 58	1,893 72	788 86
Johnson Controls	54 00	02/28/12	07/08/15	2,634 23	1,799 82	834 41
McKesson	13 00	11/07/12	07/08/15	2,918 58	1,232 38	1,686 20
Monster Beverage Corp	209 00	various	01/12/15	23,845 95	9,354 22	14,491 73
National Oil Well	332 00	various	07/08/15	14,670 71	21,591 88	(6,921 17)
Pimco Emerging Local Bond	9,182 74	02/27/12	12/07/15	62,718 09	98,221 15	(35,503 06)
Royce Premier Fund	7,637 84	various	12/29/15	111,512 48	142,710 91	(31,198 43)
Elements Rogers Total Return	25,945 00	02/27/12	12/14/15	118,307 01	240,769 60	(122,462 59)
US Bancorp	675 00	02/28/12	05/27/15	29,641 00	19,709 93	9,931 07
Unitedhealth Group	121 00	various	02/27/15	13,760 22	5,499 33	8,260 89
Vanguard Emerging Markets	2,265 00	various	10/30/15	79,138 09	80,902 51	(1,764 42)
Capital gain distributions - Sch 2						43,093 72
Totals - Long term				$ 833,594 61	$ 967,911 41	$ (91,223 08)
Totals - Combined				$ 936,414 46	$ 1,088,331 76	$(108,823 58)

Schedule 4

OTHER INCOME - OIL & GAS ROYALTIES

GENE CONLEY FOUNDATION - TIN 75-2224430

Year 2015

Lease	Income: Gross Sales	Expenses: Gross Production Taxes	Expenses: Other Taxes and Fees	Total	Net Income
C G Conley	$ 128,575 44	$ 6,002 08	$ 18,280 44	$ 24,282 52	$ 104,292 92
C G Conley A	21,285 29	1,002 08	2,637 32	3,639 40	17,645 89
C G Conley D	8,982 28	422 12	1,058 25	1,480 37	7,501 91
C G Conley B	2,872 43	132 63	613 70	746 33	2,126 10
Ms Betty	49,846 96	2,300 55	5,183 33	7,483 88	42,363 08
Lease bonus	-				
Totals	$ 211,562 40	$ 9,859 46	$ 27,773 04	$ 37,632 50	$ 173,929 90

Schedule 4A

COST DEPLETION

GENE CONLEY FOUNDATION - TIN 75-6032988

Year 2015

Lease	Basis: Balance 01-01-15	Basis: Acquired (Retired)	Basis: Balance 12-31-15	Accumulated Depletion: Reserve 01-01-15	Accumulated Depletion: Cost	Accumulated Depletion: Credits	Accumulated Depletion: Reserve 12-31-15
C G Conley	$ 97,153 92	$	$ 97,153 92	$ 97,153 92	$	$	$ 97,153 92
C G Conley A	8,307 72		8,307 72	8,307 72			8,307 72
C G Conley D	3,165 12		3,165 12	3,165 12			3,165 12
C G Conley B	3,944 16		3,944 16	3,944 16			3,944 16
Ms Betty #3	8,550 00		8,550 00	8,550 00			8,550 00
Totals	$ 121,120 92	$	$ 121,120 92	$ 121,120 92	$	$	$ 121,120 92

Schedule 5

CONTRIBUTIONS

GENE CONLEY FOUNDATION - TIN 75-2224430

Year 2015

Name and Address	Purpose	Amount
First Baptist Church of Quanah 601 S Main Street Quanah, Texas 79252-4749	Replace roof, repairs to facilities, clothing project	$ 16,500 00
American Red Cross North Central Texas 1809 5th Street Wichita Falls, Texas 76301	Youth Disaster Recovery Project	20,000 00
Texas Scottish Rite Hospital for Children - Dallas 2222 Welborn Street Dallas, TX 75219	Camp Joint Adventure	15,000 00
ARC of Wichita County 3115 Buchanan Wichita Falls, TX 76308	Camp Noah	4,000 00
Arts Council Wichita Falls Area 1300 Lamar St Wichita Falls, TX 76301	Camp on the Go	5,000 00
Big Brothers Big Sisters Lone Star 1101 Scott Ave Suite 24 Wichita Falls, TX 76301	Volunteer awareness and recruitment campaign	6,000 00
Boy Scouts of America - Northwest Texas Council 3604 Maplewood Wichita Falls, TX 76308	Youth Recruitment	30,000 00
Boys & Girls Clubs of Wichita Falls, Inc 1318 Sixth Street Wichita Falls, TX 76301	School Court Program	11,771 00
Boys & Girls Clubs of Vernon, Inc P O Box 1785 Vernon, TX 76385-1785	Summer Program 2015	50,000 00
Camp Fire USA - North Texas Council 2414 9th Street Wichita Falls, TX 76301	Special Services Program for "At Risk" Youth	25,000 00
Child Advocates Casa of Red River 808 Austin St Wichita Falls, TX 76301	Volunteer Program	15,000 00
Child Care, Inc 1000 Lamar Street, Suite 432 Wichita Falls, TX 76301	Child care for at-risk infants and toddlers	30,000 00
Christ Home Place Ministries, Inc 1420 Twin Oaks St Wichita Falls, TX 76302	Children's Play Therapy and Fee Assistance Program	5,000 00
Inheritance Adoptions 1007 11th Street Wichita Falls, TX 76301	Birth Parent Program	10,000 00
Leadership Wichita Falls, Inc 2301 Kell Blvd #218 Wichita Falls, TX 76308	Youth Leadership	5,000 00
New Horizons Ranch and Center 294 Medical Drive Abilene, TX 79601	Foster Care & Adoption Prog	20,000 00
Nonprofit Management Center of Wichita Falls 2301 Kell Blvd Suite 218 Wichita Falls, TX 76308	Teens Make a Difference Day Volunteerism Project for Teenagers	5,000 00
Olney Christian Community Center 811 West Main St Olney, TX 76374	Funding for the refuge	10,000 00

Name and Address	Purpose	Amount
Patsy's House Children's Advocacy Center 1411 10th Street Wichita Falls, Tx 76301	Victim Services	12,000 00
Presbyterian Children's Homes & Services 4015 Lake Park Drive Wichita Falls, TX 76302	Foster Care and Adoption Program	10,000 00
Project Back to School PO Box 9700 Wichita Falls, TX 76308	School Supplies for Disadvantaged Children	10,000 00
Q-School 560 Lake Pauline Road Quanah, TX 79252	Tutoring for elementary children	8,640 00
Red River Valley Museum Vernon 4600 College Drive Vernon, TX 76384	Purchase display case and fund exhibits	12,500 00
Salvation Army 2900 Seymour Hwy Wichita Falls, TX 76310	Summer Camp	10,400 00
Texoma Batterers Intervention & Prevention Program, Inc PO Box 1404 Vernon, TX 76385	Operating expenses	4,000 00
Texoma Mother & Unborn Baby Care, Inc PO Box 2364 Wichita Falls, TX 76307	General Programming Support	7,500 00
Three Rivers Foundation for Arts and Sciences P O Box 79 Crowell, TX 79227	Earth and Space Services Program Dvlpmt & Delivery	68,000 00
United Regional Health Care Foundation 1600 Eleventh Street Wichita Falls, TX 76301	Equipmment for Pediatric Care in Emergency Room	15,000 00
Vernon Regional Junior College 4400 College Drive Vernon, TX 76384	New Beginnings Programs to provide Child Care for Economically Disadvan- taged Parents pursuing workforce training	25,000 00
Wichita Falls Area Food Bank 1230 Midwestern Parkway Wichita Falls, TX 76302	PowerPak 4 Kids BackPack Program	20,000 00
Wichita Falls Faith Mission, Inc PO Box 965 Wichita Falls, TX 76307	Laundry Project for Family Dorms	20,000 00
Wichita Falls Symphony Orchestra 1300 Lamar Street Wichta Falls, Texas 76301	School Concerts	3,000 00
Wichita Falls Youth Symphony Orchestra 1300 Lamar Wichita Falls, TX 76301	YSO Apprentice Program	1,000 00
Young Men's Christian Association of Wichita Falls 302 Tulsa Street Wichita Falls, TX 76301	Capital Campaign - furniture, fixtures and equipment	20,000 00
Young Men's Christian Association of Wichita Falls- East 302 Tulsa Street Wichita Falls, TX 76301	Smart Athletics Tutoring Program	20,000 00
Total		$ 550,311 00

Note
Foundation Status of recipients
All are 501(c)(3) public charities except Three Rivers Foundation which is a private operating foundation

Schedule 6

BALANCE SHEETS

GENE CONLEY FOUNDATION - TIN 75-2224430

Year 2015

		Cost	Current Value
ASSETS			
Cash - non-interest bearing		$ 617 74	$ 617 74
Savings and temporary cash investments			
Wells Fargo Cash Money Market		1,153,387 11	1,153,387 11
Accounts receivable		44,091 85	44,091 85
Accounts receivable - Excise tax		8,843.96	8,843 96
Prepaid excise tax		3,000 00	3,000 00
Investments - Securities:			
U S. & state government obligations - Sch 7	$ 51,896.10		50,466 00
Corporate stocks and mutual funds - Sch 8	4,148,006.97		4,705,359.97
Corporate bonds - Sch. 9	77,404 85	4,277,307 92	80,377 50
Investments - Land, buildings and equipment			
Land & improvements	$ 400,925 40		
Stock tank	175 00		
Less Accumulated depreciation	(175 00)	400,925 40	1,529,812.22
Investments - Other.			
Nonproducing mineral leaseholds	$ 34,023.00		11.00
Producing mineral leaseholds	121,120 92		
Less Accumulated depletion	(121,120.92)	34,023 00	1,020,402 80
Other assets.			
1/2 interest - 2 Cemetery lots		1 00	1 00
Accrued income			
Total assets		$ 5,922,197 98	$ 8,596,371 15
LIABILITIES AND EQUITY			
Liabilities			
Accounts Payable - Excise tax		$	
Equity			
Principal fund	$ 1,091,276 98		
Retained earnings	4,830,921 00	5,922,197 98	
Total liabilities and equity		$ 5,922,197 98	

Schedule 7

INVESTMENT IN BONDS

GENE CONLEY FOUNDATION - TIN 75-2224430

Year 2015

	Rate	Maturity Date	Par Value	Cost	Current Value
U S and State Government Obligations					
Federal National Mtg. Assn.	5 000%	03-15-16	$ 50,000.00	$ 51,896 10	$ 50,466.00
Totals - U S and State Government Obligations			$ 50,000 00	$ 51,896.10	$ 50,466.00

Schedule 8

INVESTMENT IN MUTUAL FUNDS AND CORPORATE STOCK

GENE CONLEY FOUNDATION - TIN 75-2224430

Year 2015

	Shares	Cost	Current Value
Corporate stock:			
Comcast	683	$ 10,429.20	$ 38,541 69
Johnson Controls Inc	495	15,689 20	19,547 55
Las Vegas Sands	413	25,991 08	18,105 92
Target	404	17,930 67	29,334 44
TJX Cos Inc New	435	17,194.02	30,845 85
Walt Disney	423	9,398 30	44,448 84
CVS Health Corp	426	13,007.55	41,650 02
Hain Celestial	445	18,050 31	17,973 55
Affiliated Managers Group	135	14,399 09	21,567 60
Ameriprise Financial	165	20,906 41	17,559.30
Berkshire Hathaway	336	28,009 18	44,365 44
Blackrock	61	18,990 88	20,771 72
Citigroup	666	33,446 11	34,465 50
CME Group	375	20,168 56	33,975 00
Goldman Sachs	107	12,493 28	19,284.61
JPMorgan Chase & Co	594	21,870.42	39,221 82
PNC Financial	310	29,780 73	29,546 10
Gilead Sciences	241	5,583 97	24,386 79
McKesson	177	18,609 42	34,909 71
Thermo Fisher Scientific	198	12,021 61	28,086 30
Unitedhealth Group	360	9,966 69	42,350 40
Boeing	343	31,816 91	49,594 37
Cummins	273	36,850 78	24,026 73
Union Pacific	461	28,757 63	36,050 20
United Parcel Service	225	17,275 48	21,651.75
Apple	746	25,986 41	78,523 96
Cisco Systems	1,473	29,142 45	39,999 32
Alphabet Inc/Google	66	28,951 46	50,086 08
Microsoft	878	31,417.27	48,711 44
Oracle	610	17,786.99	22,283 30
Celenase	506	26,746.31	34,068 98
Monsanto	356	38,168 25	35,073 12

	Shares	Cost	Current Value
Diageo PLC	175	10,147.36	19,087 25
Eaton Corp PLC	333	15,609 15	17,329.32
HSBC-ADR	583	30,866 94	23,011 01
Manulife Financial	1,325	19,533 15	19,848.50
Nestle SA Registered Shares	315	11,856 60	23,442.30
Roche Holdings Ltd	819	27,806 55	28,230 93
Schlumberger Ltd	451	34,534.27	31,457 25
Suncor Energy	1,340	36,056 97	34,572 00
Total SA - Adr	630	29,789 18	28,318.50
Totals - Corporate Stocks		$ 903,036.79	$ 1,296,304 46
Mutual Funds·			
Aberdeen Global High Income	19,868	$ 207,511.31	$ 157,748.35
Ishares Core Total US Bond Fund	2,595	271,712.72	280,285 95
Ishares Iboxx $ Investment Grade	2,575	271,624 80	293,575 75
T Rowe Price Institutional Float	11,466	115,000 00	111,789.63
TRowe Price Short Term Bond Fund	39,484	190,000.00	185,968.20
Pimco Foreign Bond Fund	9,141	99,364.39	82,632 54
Templeton Global Bond Fund	25,876	301,621 43	298,347.77
ASGI Agility Income Fund	256	265,000 00	251,065.26
Principal Midcap Fund Class In	2,876	60,000 00	60,115.05
SPDR S&P Midcap 400 ETF Trust	1,482	150,571 20	376,487.28
Aberdeen Emerging Markets	15,514	225,035 00	176,241 35
Artisan International Fund	5,418	110,660 07	156,310.19
Ishares MSCI Eafe	2,235	121,524.37	131,239.20
Oakmark Funds - The Oakmark Intl Fund	8,263	155,086 11	176,489 54
GAI Mesirow Insight Fund	161	161,382 17	154,346 22
Boston Partners Long/Short Research Fund	7,921	125,000 00	118,108.37
Merger Fund Sh Ben Int	4,455	70,000.00	67,946 01
E-Tracs Alerian MLP Infrastructure	2,755	107,381 64	72,070 80
Spdr DJ Wilshire International Real Estate	1,390	46,441 34	54,376 80
Vanguard Reit Viper	1,825	126,493 63	145,507 25
Totals - Mutual Funds		$ 3,181,410 18	$ 3,350,651 51
Partnership investments:			
Graham Alternative Investment Fund		$ 63,560 00	$ 58,404 00
		$ 63,560 00	$ 58,404 00
Totals - Combined		$ 4,148,006 97	$ 4,705,359.97

Schedule 9

INVESTMENT IN BONDS

GENE CONLEY FOUNDATION - TIN 75-2224430

Year 2015

	Rate	Maturity Date	Par Value	Cost	Current Value
Coporate Bonds·					
Caterpıllar Fın Serv	5.850%	09-01-17	$ 75,000.00	$ 77,404 85	$ 80,377 50
Totals - Corporate Bonds			$ 75,000 00	$ 77,404.85	$ 80,377.50

Schedule 10

LIST OF OFFICERS, DIRECTORS, TRUSTEES, FOUNDATION MANAGERS AND THEIR COMPENSATION

GENE CONLEY FOUNDATION - TIN 75-2224430

Year 2015

Name and Address	Title & Average Hours Devoted to Position	Compensation
Wells Fargo Bank, N A 2301 Kell Boulevard Wichita Falls, Texas 76308	Trustee 5 Hrs/Wk	$ 83,315 19
Mac Cannedy 2301 Kell Boulevard Wichita Falls, Texas 76308	Advisory Board Member 10-20 Hrs/Yr	700 00
Mike Elyea 2301 Kell Boulevard Wichita Falls, Texas 76308	Advisory Board Member 10-20 Hrs/Yr	700 00
Terry Pence 2301 Kell Boulevard Wichita Falls, Texas 76308	Advisory Board Member 10-20 Hrs/Yr	700 00
Barry Plaxco 2301 Kell Boulevard Wichita Falls, Texas 76308	Advisory Board Member 10-20 Hrs/Yr	700 00
Rhonda Poirot 2301 Kell Boulevard Wichita Falls, Texas 76308	Advisory Board Member 10-20 Hrs/Yr	700 00
David Ramsey 2301 Kell Boulevard Wichita Falls, Texas 76308	Advisory Board Member 10-20 Hrs/Yr	700 00
Chris Travelstead 2301 Kell Boulevard Wichita Falls, Texas 76308	Advisory Board Member 10-20 Hrs/Yr	700 00
Total		$ 88,215 19

WELLS
FARGO

Account Number	Account Name	EIN	Overpayment
80171000	Gene Conley Foundation	75-2224430	O/P applied $12,103
7013001078	W. R. Winslow Residuary Trust	52-6144289	O/P applied $3,000. & refund $8,843.96