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Extended to August 15, 2016
Return of Private Foundation

Form 990-PF

Department of the Treasury
Internal Revenue Service

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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 M & A McCullough Foundation		A Employer identification number 75-6021589
Number and street (or P.O. box number if mail is not delivered to street address) 807 8th Street, 2nd Floor	Room/suite	B Telephone number 940-322-4436
City or town, state or province, country, and ZIP or foreign postal code Wichita Falls, TX 76301		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 2,893,268.06	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

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 <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	38.36	38.36		Statement 1
	4 Dividends and interest from securities	65,819.46	65,819.46		Statement 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	171,035.30			
	b Gross sales price for all assets on line 6a	225,656.99			
	7 Capital gain net income (from Part IV, line 2)		171,035.30		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income	183.35	183.35		Statement 3
	12 Total. Add lines 1 through 11	237,076.47	237,076.47		
	13 Compensation of officers, directors, trustees, etc	0.00	0.00		0.00
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees Stmt 4	7,000.00	3,500.00		3,500.00
	c Other professional fees				
	17 Interest				
	18 Taxes Stmt 5	2,453.51	357.61		0.00
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses Stmt 6	23,629.02	23,629.02		0.00
	24 Total operating and administrative expenses. Add lines 13 through 23	33,082.53	27,486.63		3,500.00
	25 Contributions, gifts, grants paid	148,000.00			148,000.00
	26 Total expenses and disbursements. Add lines 24 and 25	181,082.53	27,486.63		151,500.00
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	55,993.94			
	b Net investment income (if negative, enter -0-)		209,589.84		
	c Adjusted net income (if negative, enter -0-)			N/A	

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		
		Beginning of year (a) Book Value	End of year (b) Book Value (c) Fair Market Value	
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	176,164.70	210,502.14	210,502.14
	3 Accounts receivable ▶ 1,444.10			
	Less: allowance for doubtful accounts ▶	434.65	1,444.10	1,444.10
	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		1,060.00	1,060.00
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock Stmt 7	2,671,064.74	2,690,651.79	2,680,261.82
	c Investments - corporate bonds			
	Liabilities	11 Investments - land, buildings, and equipment basis ▶		
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other				
14 Land, buildings, and equipment: basis ▶				
Less accumulated depreciation ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)		2,847,664.09	2,903,658.03	2,893,268.06
17 Accounts payable and accrued expenses				
18 Grants payable				
Net Assets or Fund Balances	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 ▶ <input type="checkbox"/>			
	and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	and complete lines 27 through 31			
	27 Capital stock, trust principal, or current funds	726,295.55	726,295.55	
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	2,121,368.54	2,177,362.48		
30 Total net assets or fund balances	2,847,664.09	2,903,658.03		
31 Total liabilities and net assets/fund balances	2,847,664.09	2,903,658.03		

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	2,847,664.09
2 Enter amount from Part I, line 27a	2	55,993.94
3 Other increases not included in line 2 (itemize) ▶	3	0.00
4 Add lines 1, 2, and 3	4	2,903,658.03
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	2,903,658.03

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 4	P	Various	Various
b Schedule 4	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 45.87		43.00	2.87
b 59,896.72		54,578.69	5,318.03
c 165,714.40			165,714.40
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) 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			2.87
b			5,318.03
c			165,714.40
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	171,035.30
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	144,500.00	3,127,375.16	.046205
2013	129,500.00	2,873,368.89	.045069
2012	131,500.00	2,648,122.32	.049658
2011	124,000.00	2,666,123.26	.046509
2010	108,500.00	2,492,725.83	.043527

2 Total of line 1, column (d)	2	.230968
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	.046194
4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	3,080,590.60
5 Multiply line 4 by line 3	5	142,304.80
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	2,095.90
7 Add lines 5 and 6	7	144,400.70
8 Enter qualifying distributions from Part XII, line 4	8	151,500.00

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 <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		1	2,095.90
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b			
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		2	0.00
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		3	2,095.90
3 Add lines 1 and 2		4	0.00
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		5	2,095.90
5 Tax based on investment income Subtract line 4 from line 3. If zero or less, enter -0-			
6 Credits/Payments:			
a 2015 estimated tax payments and 2014 overpayment credited to 2015	6a 4,600.00		
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	4,600.00
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached		8	
9 Tax due If the total of lines 5 and 8 is more than line 7, enter amount owed		9	
10 Overpayment If line 7 is more than the total of lines 5 and 8, enter the amount overpaid		10	2,504.10
11 Enter the amount of line 10 to be: Credited to 2016 estimated tax <input checked="" type="checkbox"/> 2,504.10 Refunded <input type="checkbox"/>		11	0.00

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?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? 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.		X
1c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input checked="" type="checkbox"/> \$ 0.00 (2) On foundation managers. <input checked="" type="checkbox"/> \$ 0.00		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input checked="" type="checkbox"/> \$ 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		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input checked="" type="checkbox"/> TX		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	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		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

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? Website address ► <u>N/A</u>	13	X
14 The books are in care of ► <u>Freemon, Shapard & Story</u> Telephone no. ► <u>940-322-4436</u> Located at ► <u>807 8th St., 2nd Floor, Wichita Falls, TX</u> ZIP+4 ► <u>76301</u>		
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 <u>N/A</u>		
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? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ►	16	X

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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here N/A ► <input type="checkbox"/>	1b	
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? If "Yes," list the years ► _____, _____, _____ <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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) N/A c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► _____, _____, _____	2b	
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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

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?

If "Yes" to 6b, file Form 8870

6b

X

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 3				
	0.00	0.00	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

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	2,944,570.53
b	Average of monthly cash balances	1b	181,204.40
c	Fair market value of all other assets	1c	1,728.22
d	Total (add lines 1a, b, and c)	1d	3,127,503.15
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	3,127,503.15
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	46,912.55
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,080,590.60
6	Minimum investment return. Enter 5% of line 5	6	154,029.53

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	154,029.53
2a	Tax on investment income for 2015 from Part VI, line 5	2a	2,095.90
b	Income tax for 2015. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	2,095.90
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	151,933.63
4	Recoveries of amounts treated as qualifying distributions	4	0.00
5	Add lines 3 and 4	5	151,933.63
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	151,933.63

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	151,500.00
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	151,500.00
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	2,095.90
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	149,404.10

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				151,933.63
2 Undistributed income, if any, as of the end of 2015				
a Enter amount for 2014 only			148,121.08	
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: ► \$ 151,500.00				
a Applied to 2014, but not more than line 2a			148,121.08	
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				3,378.92
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				148,554.71
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				

N/A

- ☐ 4942(j)(3) or ☐ 4942(j)(5)

- (4) Gross investment income

[illegible]Form **990-PF** (2015)

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 <i>Paid during the year</i>				
Schedule 2				148,000.00
Total			3a	148,000.00
b <i>Approved for future payment</i>				
None				
Total			3b	0.00

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

[illegible]

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		

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.

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 <input type="checkbox"/> if self-employed	PTIN
	Mac Cannedy	<i>Mac Cannedy</i>	6/2/16		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	

Form 990-PF Interest on Savings and Temporary Cash Investments Statement 1

Source	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
Schedule 1	38.36	38.36	
Total to Part I, line 3	38.36	38.36	

Form 990-PF Dividends and Interest from Securities Statement 2

Source	Gross Amount	Capital Gains Dividends	(a) Revenue Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income
Schedule 1	231,533.86	165,714.40	65,819.46	65,819.46	
To Part I, line 4	231,533.86	165,714.40	65,819.46	65,819.46	

Form 990-PF Other Income Statement 3

Description	(a) Revenue Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income
Schedule 1	183.35	183.35	
Total to Form 990-PF, Part I, line 11	183.35	183.35	

Form 990-PF Accounting Fees Statement 4

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Schedule 1	7,000.00	3,500.00		3,500.00
To Form 990-PF, Pg 1, ln 16b	7,000.00	3,500.00		3,500.00

Form 990-PF	Taxes	Statement	5
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Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Schedule 1	2,453.51	357.61		0.00
To Form 990-PF, Pg 1, ln 18	2,453.51	357.61		0.00

Form 990-PF	Other Expenses	Statement	6
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Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Schedule 1	23,629.02	23,629.02		0.00
To Form 990-PF, Pg 1, ln 23	23,629.02	23,629.02		0.00

Form 990-PF	Corporate Stock	Statement	7
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Description	Book Value	Fair Market Value
Schedule 5	2,690,651.79	2,680,261.82
Total to Form 990-PF, Part II, line 10b	2,690,651.79	2,680,261.82

Schedule 1

REVENUE AND EXPENSES

M & A MCCULLOUGH FOUNDATION - TIN 75-6021589

Year 2015

REVENUE

Interest on savings and cash investments

Bank of America

\$ 0 06

Merrill Lynch

38 30

\$

38 36

Dividends and interest from securities

Dividends

Merrill Lynch

65,819 46

Capital gains and losses - Sch 4

171,035.30

Other income

Gross royalties

\$ 183.35

Miscellaneous

183.35

Total

\$ 237,076.47

EXPENSES

Accounting fees - Freemon, Shapard & Story

\$ 7,000 00

Taxes

Federal excise

\$ 2,095 90

Ad valorem taxes

17 06

Foreign taxes

332 11

Severance

8 44

2,453 51

Other

Investment fees

\$ 23,505 72

Service fees

123 30

23,629 02

Grants and contributions paid -

Schedule 2

148,000 00181,082 53

Net revenue in excess of expenses

\$ 55,993 94

Net worth 12-31-14

2,847,664 09

Net worth 12-31-15

\$ 2,903,658 03

Schedule 2

GRANTS AND CONTRIBUTIONS PAID

M & A MCCULLOUGH FOUNDATION - TIN 75-6021589

Year 2015

<u>Name and Address</u>	<u>Purpose</u>	<u>Amount</u>
Ambassador Junior Boys Club 810 Tulsa Street Wichita Falls, Texas 76301	Operating Budget	\$ 2,000 00
The Arts Council, Wichita Falls Area, Inc dba The Kemp at the Forum 2120 Speedway Wichita Falls, Texas 76308	Operating Budget	3,000.00
Boys & Girls Clubs of Wichita Falls, Inc 1318 6th Street Wichita Falls, Texas 76301	Operating Budget	3,000 00
Camp Fire Council of North Texas 2414 9th Street Wichita Falls, Texas 76301	Operating Budget	6,000 00
Child Advocates 811 6th Street, Ste 130 Wichita Falls, Texas 76301	Operating Budget	2,000 00
Community Healthcare Center P O Box 720 Wichita Falls, Texas 76307	Operating Budget	3,000 00
Eastside Baptist Church 1632 Harding Street Wichita Falls, Texas 76301	Operating Budget	1,000 00
Faith Mission/Faith Refuge P O Box 965 Wichita Falls, TX 76307	Operating Budget	8,000 00
First Step Of Wichita Falls, Inc P O Box 4085 Wichita Falls, Texas 76307	Operating Budget	1,000 00
Habitat for Humanity 1206 Lamar St Wichita Falls, TX 76301	Operating Budget	1,000 00
Hands to Hand Community Fund P O Box 4641 Wichita Falls, TX 76308	Operating Budget	6,000 00

<u>Name and Address</u>	<u>Purpose</u>	<u>Amount</u>
Interfaith Ministries Of Wichita Falls 1006 11th Street Wichita Falls, Texas 76301	Operating Budget	4,000 00
Methodist Children's Home 1111 Herring Avenue Waco, Texas 76708	Operating Budget	3,000 00
Midwestern State University President's Excellence Club 3410 Taft Blvd Wichita Falls, Texas 76308	Operating Budget	1,000 00
Midwestern State University WF Museum of Art at MSU 3410 Taft Blvd. Wichita Falls, Texas 76308	Operating Budget	7,000 00
Nonprofit Management Center 2301 Kell Blvd , Suite 218 Wichita Falls, Texas 76308	Operating Budget	1,000 00
North Texas Rehabilitation Center, Inc. 1005 Midwestern Parkway East Wichita Falls, Texas 76302	Operating Budget Equipment	2,000 00 5,000 00
River Bend Nature Works 2200 Third Street Wichita Falls, Texas 76301	Operating Budget	10,000 00
Salvation Army P O Box 2189 Wichita Falls, Texas 76307	Operating Budget	20,000 00
Senior Citizens Services of North Texas, Inc. P O Box 1655 Wichita Falls, Texas 76307	The Kitchen Meals on Wheels	5,000 00
Southside Girls Club Inc 1205 Montgomery Wichita Falls, Texas 76302	Operating Budget	1,000 00
United Way of Greater Wichita Falls P O Box 660 Wichita Falls, Texas 76307	Operating Budget	2,000 00
UT Southwestern Medical School 5323 Harry Hines Blvd. Dallas, Texas 75390-9002	Research	10,000 00

<u>Name and Address</u>	<u>Purpose</u>	<u>Amount</u>
Wichita County Heritage Society, Inc Kell House 900 Bluff Street Wichita Falls, Texas 76301	Curator Salary	21,000 00
Wichita Falls Area Food Bank P O Box 623 Wichita Falls, Texas 76307	Operating Budget	10,000 00
Wichita Falls Ballet Theatre 3412 Buchanan Wichita Falls, Texas 76308	Operating Budget	3,000 00
Wichita Falls Symphony Orchestra P. O. Box 3502 Wichita Falls, Texas 76309	Operating Budget	7,000 00
Total		<u>\$ 148,000 00</u>

Note: All of the above organizations are qualified public charities or governmental entities.

Schedule 3

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

M & A MCCULLOUGH FOUNDATION - TIN 75-6021589

Year 2015

<u>Name and Address</u>	<u>Title, and Average Hours per Week Devoted to Position</u>	<u>Contributions to Employees Benefit Plans</u>	<u>Expense Account, Other Allowances</u>	<u>Compensation</u>
Thomas E McCullough Wichita Falls, Texas	President/Treas 2	-0-	-0-	-0-
Linda McCullough Decker Wichita Falls, Texas	Vice President/Sec 2	-0-	-0-	-0-

Schedule 4

NET GAIN OR LOSS FROM SALE OF ASSETS

M & A MCCULLOUGH FOUNDATION - TIN 75-6021589

Year 2015

	<u># of Shares</u>	<u>Date Acquired</u>	<u>Date Sold</u>	<u>Sales Price</u>	<u>Cost or Basis</u>	<u>Gain (Loss)</u>
Short term						
First Eagle Global Class I	0 295	07/21/15	10/21/15	\$ 15 50	\$ 15 80	\$ (0 30)
JP Morgan Mid Cap Value	0 484	07/21/15	10/21/15	17 39	14 07	3 32
Oppenheimer Global Strategic Inc	0 785	07/21/15	10/21/15	3 07	3 23	(0 16)
Calamos Growth & Income Fd	0 017	07/21/15	10/21/15	0 51	0 53	(0 02)
FPA Crescent Fund	0.108	07/21/15	10/21/15	3 56	3 34	0 22
Loomis Sayles Strategic Inc Fd	0.387	07/21/15	10/21/15	5 84	6 03	(0 19)
Totals - Short term				\$ 45 87	\$ 43 00	\$ 2 87
Long term						
First Eagle Global Class I	94 562	04/16/14	10/21/15	\$ 4,970 18	\$ 5,197 13	\$ (226.95)
FPA Crescent Fund Instl	77 000	04/26/13	10/21/15	2,540 23	2,340 03	200 20
Eaton Vance Worldwide Health Sci	1,196 371	04/29/08	07/21/15	17,419 16	11,736 40	5,682 76
JP Morgan Mid Cap Value	60 067	04/29/08	10/21/15	2,158 81	1,410 45	748 36
Oppenheimer Global Strategic Inc	1,197 000	04/29/08	10/21/15	4,680 27	5,140 47	(460 20)
Calamos Growth & Income Fd	9 000	04/29/08	10/21/15	270 00	262 99	7 01
Calamos Growth Fund Cl I	154 837	04/29/08	07/21/15	8,238 88	9,297 56	(1,058 68)
Pimco Total Return Fund	928 412	05/02/08	10/21/15	9,847 90	10,117 74	(269 84)
American Capital World Grwth	99 550	04/29/08	07/21/15	4,764 46	4,238 47	525 99
Loomis Sayles Strategic Inc	331 350	04/29/08	10/21/15	5,006 83	4,837 45	169 38
Totals - Long term				\$ 59,896 72	\$ 54,578 69	\$ 5,318 03
Capital gain distributions						
Calamos Growth Fund				\$ 50,640 03	\$	\$ 50,640 03
Calamos Growth & Income Fund				6,004 59		6,004 59
Eaton Vance Worldwide				16,235 97		16,235 97
Federated Equity Income Fund				2,605 24		2,605 24
First Eagle Global Class I				1,442 59		1,442.59
Gabelli Asset Fund SBI				40,788 22		40,788 22
JP Morgan Mid Cap Value				17,828 90		17,828 90
Loomis Sayles Strategic Inc				16,293 28		16,293 28
American Capital World G&I				5,291 76		5,291 76
Pimco Total Return Fund				3,153 00		3,153 00
UAM FPA Crescent Port				5,430 82		5,430 82
Totals - Capital gain distributions				\$ 165,714 40	\$	\$ 165,714 40
Totals - Combined				\$ 225,656 99	\$ 54,621 69	\$ 171,035 30

Schedule 5

BALANCE SHEETS

M & A MCCULLOUGH FOUNDATION - TIN 75-6021589

Year 2015

	C o s t		Market
	12-31-14	12-31-15	Value
ASSETS			
Cash			
Interest bearing	\$ 176,164 70	\$ 210,502 14	\$ 210,502 14
Accounts receivable	434 65	1,444 10	1,444 10
In transit items			
Prepaid excise tax		1,060 00	1,060 00
Mutual Funds			
American Cap World G&I - 7,453 17 sh	\$ 314,153 76	\$ 313,252 20	
Calamos Growth Fund - 5,219 12 sh	316,927 50	312,402 56	
Calamos Growth & Income - 4,575 93 sh	132,966 10	133,079 03	
EV Worldwide Health Sciences - 15,497 29 sh	147,479 98	156,257 57	
Federated Equity Income Fd - 11,522 17 sh	260,230 95	266,481 44	
First Eagle - 2,949 25 sh	157,707 45	161,268 51	
Gabelli Asset Fd - 5,579 38 sh	259,058 29	262,191 84	
JP Morgan Mid Cap Value - 9,291 76 sh	213,179 40	213,379 73	
Loomis Sayles Strategic Income - 20,247 2 sh	287,029 56	292,264 25	
Oppenheimer Strategic Income - 66,640 46 sh	279,475 10	282,133 68	
Pimco Total Return Fd - 8,733 62 sh	102,856 65	92,738 91	
Templeton - 7,926 63 sh	100,000 00	106,727 79	
UAM FPA Crescent Port - 3,237 44 sh	100,000 00	98,474 28	
	<u>2,671,064 74</u>	<u>2,690,651 79</u>	<u>2,680,261 82</u>
Total assets	\$ <u>2,847,664 09</u>	\$ <u>2,903,658 03</u>	\$ <u>2,893,268 06</u>
LIABILITIES AND EQUITY			
Other liabilities			
Federal excise tax	\$	\$	
Accounts payable	\$	\$	
Net worth			
Principal fund	\$ 726,295 55	\$ 726,295 55	
Income fund	<u>2,121,368 54</u>	<u>2,177,362 48</u>	<u>2,903,658 03</u>
Total liabilities and equity	\$ <u>2,847,664 09</u>	\$ <u>2,903,658 03</u>	