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 6/01 , 2015, and ending 5/31 , 2016

THE RALPH A. JOHNSTON FOUNDATION, INC.
1210 AUGUSTA
HOUSTON, TX 77057

A Employer identification number
74-6051797

B Telephone number (see instructions)
713/461-3867

C If exemption application is pending, check here ► ☐

D 1 Foreign organizations, check here ► ☐

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

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

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

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

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

I Fair market value of all assets at end of year *(from Part II, column (c), line 16)* ► $ 4,044,611.

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

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

	Line	Description	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
REVENUE	1	Contributions, gifts, grants, etc, received (attach schedule)				
	2	Ck ► ☒ if the foundation is not required to attach Sch B				
	3	Interest on savings and temporary cash investments	17,383.	15,762.	17,383.	
	4	Dividends and interest from securities	68,732.	68,732.	68,732.	
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	1,369,422.			
	b	Gross sales price for all assets on line 6a 4,001,470.				
	7	Capital gain net income (from Part IV, line 2)		1,369,422.		
	8	Net short-term capital gain			0.	
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule) See Statement 1	259,305.	7,947.		
	12	**Total.** Add lines 1 through 11	1,714,842.	1,461,863.	86,115.	
OPERATING AND ADMINISTRATIVE EXPENSES	13	Compensation of officers, directors, trustees, etc	0.			
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach sch) See St 2	1,130.	565.		565.
	c	Other prof fees (attach sch)				
	17	Interest				
	18	Taxes (attach schedule)(see instrs) See Stm 3	12,606.	396.		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule) See Statement 4	37,470.	23,819.	23,819.	13,651.
	24	**Total operating and administrative expenses.** Add lines 13 through 23	51,206.	24,780.	23,819.	14,216.
	25	Contributions, gifts, grants paid Part XV	153,000.			153,000.
	26	**Total expenses and disbursements** Add lines 24 and 25	204,206.	24,780.	23,819.	167,216.
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	1,510,636.			
	b	**Net investment income** (if negative, enter -0-)		1,437,083.		
	c	**Adjusted net income** (if negative, enter -0-)			62,296.	

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Part II Balance Sheets

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

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
ASSETS	1	Cash – non-interest-bearing			
	2	Savings and temporary cash investments	1,076,602.	328,369.	328,369.
	3	Accounts receivable ►			
		Less. allowance for doubtful accounts ►			
	4	Pledges receivable ►			
		Less. allowance for doubtful accounts ►			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach sch) ►			
		Less allowance for doubtful accounts ►			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges.			
	10a	Investments – U S and state government obligations (attach schedule) Statement 5		357,130.	355,908.
	b	Investments – corporate stock (attach schedule) Statement 6	682,136.	1,426,852.	1,732,847.
	c	Investments – corporate bonds (attach schedule) Statement 7		804,111.	811,001.
	11	Investments – land, buildings, and equipment basis ►			
		Less· accumulated depreciation (attach schedule) ►			
	12	Investments – mortgage loans			
	13	Investments – other (attach schedule) Statement 8	359,398.	775,389.	813,402.
	14	Land, buildings, and equipment. basis ► 3,084.			
		Less· accumulated depreciation (attach schedule) See Stmt 9 ►	3,084.	3,084.	3,084.
	15	Other assets (describe ►)			
	16	**Total assets** (to be completed by all filers – see the instructions Also, see page 1, item I)	2,121,220.	3,694,935.	4,044,611.
LIABILITIES	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ►)			
	23	**Total liabilities** (add lines 17 through 22)	0.	0.	
NET ASSETS OR FUND BALANCES		**Foundations that follow SFAS 117, check here ► [ ] and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ► [X] and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds	2,121,220.	3,694,935.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see instructions)	2,121,220.	3,694,935.	
	31	**Total liabilities and net assets/fund balances** (see instructions)	2,121,220.	3,694,935.	

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	2,121,220.
2	Enter amount from Part I, line 27a	2	1,510,636.
3	Other increases not included in line 2 (itemize) ► See Statement 10	3	63,079.
4	Add lines 1, 2, and 3	4	3,694,935.
5	Decreases not included in line 2 (itemize) ►	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	3,694,935.

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	See Statement 11			
b				
c				
d				
e				

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

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(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	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				
b				
c				
d				
e				

2	Capital gain net income or (net capital loss) — If gain, also enter in Part I, line 7; If (loss), enter -0- in Part I, line 7	2	1,369,422.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	3	-68,031.

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) N/A

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			
2013			
2012			
2011			
2010			

2	**Total** of line 1, column (d)	2	
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	
4	Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	
5	Multiply line 4 by line 3	5	
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	
7	Add lines 5 and 6	7	
8	Enter qualifying distributions from Part XII, line 4	8	

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

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

1 a	Exempt operating foundations described in section 4940(d)(2), check here ► ☐ and enter 'N/A' on line 1. Date of ruling or determination letter ________ **(attach copy of letter if necessary – see instrs)**			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► ☐ and enter 1% of Part I, line 27b		1	28,742.
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.
3	Add lines 1 and 2		3	28,742.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	0.
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-		5	28,742.
6	Credits/Payments:			
a	2015 estimated tax pmts and 2014 overpayment credited to 2015	6a: 6,452.		
b	Exempt foreign organizations – tax withheld at source	6b:		
c	Tax paid with application for extension of time to file (Form 8868)	6c: 22,455.		
d	Backup withholding erroneously withheld	6d:		
7	Total credits and payments Add lines 6a through 6d		7	28,907.
8	Enter any **penalty** for underpayment of estimated tax. Check here [X] 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	0.
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ►		10	165.
11	Enter the amount of line 10 to be **Credited to 2016 estimated tax** ► 165. **Refunded** ►		11	0.

Part VII-A Statements Regarding Activities

		Line	Yes	No
1 a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	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. **(2)** On foundation managers ► $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► $ 0.			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If 'Yes,' attach a detailed description of the activities*	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
4 a	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?	4b	N/A	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If 'Yes,' attach the statement required by General Instruction T*	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	
8 a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► TX			
b	If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If 'No,' attach explanation*	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 ► CHERYL DUFF Telephone no ► (713) 461-3867

Located at ► 1210 AUGUSTA HOUSTON TX ZIP + 4 ► 77057

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** – Check here N/A ► ☐

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
1 a	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)?	1 b	N/A	
	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?	1 c		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 ► 20__ , 20__ , 20__ , 20__			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer 'No' and attach statement – see instructions)	2 b	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. ► 20__ , 20__ , 20__ , 20__ .			
3 a	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)*	3 b	N/A	
4 a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a		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?	4 b		X

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

5 a 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)? **5 b** 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)

6 a 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? **6 b** X

If 'Yes' to 6b, file Form 8870

7 a 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 **7 b**

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

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

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

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

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

Total number of other employees paid over $50,000 ► 0

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

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter 'NONE.'

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

Part IX-A Summary of Direct Charitable Activities

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

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

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

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	3,546,004.
b	Average of monthly cash balances	1b	298,743.
c	Fair market value of all other assets (see instructions)	1c	1.
d	**Total** (add lines 1a, b, and c)	1d	3,844,748.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e: 0.		
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	3,844,748.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	57,671.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,787,077.
6	**Minimum investment return.** Enter 5% of line 5	6	189,354.

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	189,354.
2a	Tax on investment income for 2015 from Part VI, line 5 — 2a: 28,742.		
b	Income tax for 2015 (This does not include the tax from Part VI.) — 2b:		
c	Add lines 2a and 2b	2c	28,742.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	160,612.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	160,612.
6	Deduction from distributable amount (see instructions)	6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	160,612.

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	167,216.
b	Program-related investments — total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	167,216.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	167,216.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

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Part XIII Undistributed Income (see instructions)

		(a) Corpus	(b) Years prior to 2014	(c) 2014	(d) 2015
1 Distributable amount for 2015 from Part XI, line 7					160,612.
2 Undistributed income, if any, as of the end of 2015:					
a Enter amount for 2014 only				0.	
b Total for prior years: 20 __, 20 __, 20 __			0.		
3 Excess distributions carryover, if any, to 2015:					
a From 2010	32,364.				
b From 2011	27,910.				
c From 2012	23,146.				
d From 2013	93,681.				
e From 2014	40,415.				
f **Total** of lines 3a through e		217,516.			
4 Qualifying distributions for 2015 from Part XII, line 4 ► $ 167,216.					
a Applied to 2014, but not more than line 2a				0.	
b Applied to undistributed income of prior years (Election required — see instructions)			0.		
c Treated as distributions out of corpus (Election required — see instructions)		0.			
d Applied to 2015 distributable amount					160,612.
e Remaining amount distributed out of corpus		6,604.			
5 Excess distributions carryover applied to 2015 *(If an amount appears in column (d), the same amount must be shown in column (a).)*		0.			0.
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		224,120.			
b Prior years' undistributed income. Subtract line 4b from line 2b			0.		
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.		
d Subtract line 6c from line 6b Taxable amount — see instructions			0.		
e Undistributed income for 2014 Subtract line 4a from line 2a Taxable amount — see instructions				0.	
f Undistributed income for 2015 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2016					0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required — see instructions)		0.			
8 Excess distributions carryover from 2010 not applied on line 5 or line 7 (see instructions)		32,364.			
9 **Excess distributions carryover to 2016.** Subtract lines 7 and 8 from line 6a		191,756.			
10 Analysis of line 9					
a Excess from 2011	27,910.				
b Excess from 2012	23,146.				
c Excess from 2013	93,681.				
d Excess from 2014	40,415.				
e Excess from 2015	6,604.				

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	Prior 3 years			
	(a) 2015	(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

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*				
See Statement 13				
Total			► **3a**	153,000.
b *Approved for future payment*				
Total			► **3b**	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions.)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					17,383.
4 Dividends and interest from securities					68,732.
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					263,241.
8 Gain or (loss) from sales of assets other than inventory					1,369,422.
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a MLP, OIL & GAS RELATED	211110	-3,936.			
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		-3,936.			1,718,778.
13 Total. Add line 12, columns (b), (d), and (e)				13	1,714,842.

(See worksheet in line 13 instructions to verify calculations.)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)
3	CASH DISTRIBUTIONS ARE MADE FOR CHARITABLE PURPOSES AND CASH EARNS AFTER SECURITIES ARE LIQUIDATED AND BEFORE DISTRIBUTION
4	PRESERVATION OF CORPUS WHILE EARNING AND APPRECIATING IN VALUE TO PERPETUATE MEDICAL GRANTS
7	PRESERVATION OF CORPUS WHILE EARNING ON ROYALTY HOLDINGS AND WHILE PROPERTY APPRECIATES IN VALUE
8	ASSETS SOLD TO FUND DISTRIBUTIONS AND BALANCE INVESTMENTS

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

2 a 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

Cheryl Duff 12/1/16 President

Signature of officer or trustee Date Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Sally A Felt	Sally A Felt / Sally A Felt	11-28-16		P00163324

Firm's name ► Bragg, Felt & Associates, P.C. Firm's EIN ► 76-0446837

Firm's address ► 7600 Woodway Dr. Suite 310 Houston, TX 77063 Phone no (713) 781-1200

Statement 1
Form 990-PF, Part I, Line 11
Other Income

	(a) Revenue per Books	(b) Net Investment Income	(c) Adjusted Net Income
MLP, OIL & GAS RELATED	$ -3,936.		
Other Investment Income	263,241.	$ 7,947.	
Total	$ 259,305.	$ 7,947.	$ 0.

Statement 2
Form 990-PF, Part I, Line 16b
Accounting Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
BRAGG FELT & ASSOCIATES PC	$ 1,130.	$ 565.		$ 565.
Total	$ 1,130.	$ 565.	$ 0.	$ 565.

Statement 3
Form 990-PF, Part I, Linc 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
FEDERAL INCOME TAX	$ 12,210.			
PROPERTY TAXES	396.	$ 396.		
Total	$ 12,606.	$ 396.	$ 0.	$ 0.

Statement 4
Form 990-PF, Part I, Line 23
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
BOOKKEEPING	$ 26,000.	$ 13,000.	$ 13,000.	$ 13,000.
INVESTMENT FEE	10,628.	10,398.	10,398.	230.
MINERAL REGISTRY FEE	35.	17.	17.	18.
MISCELLANEOUS	213.	107.	107.	106.
POSTAGE	140.	70.	70.	70.
TAX ADVISOR FEE	294.	147.	147.	147.
TAX CONSULTANT	160.	80.	80.	80.
Total	$ 37,470.	$ 23,819.	$ 23,819.	$ 13,651.

Statement 5
Form 990-PF, Part II, Line 10a
Investments - U.S. and State Government Obligations

U.S. Government Obligations	Valuation Method	Book Value	Fair Market Value
62600 UNITED STATES TREAS NTS	Cost	$ 62,492.	$ 62,485.
49400 UNITED STATES TREAS NTS	Cost	50,159.	50,039.
34900 UNITED STATES TREAS NTS	Cost	37,755.	37,731.
40300 UNITED STATES TREAS NTS	Cost	42,626.	42,493.
27600 UNITED STATES TREAS NTS	Cost	28,497.	28,425.
24300 UNITED STATES TREAS NTS	Cost	24,537.	24,387.
12500 UNITED STATES TREAS NTS	Cost	12,885.	12,805.
10600 UNITED STATES TREAS NTS	Cost	11,269.	11,212.
10900 UNITED STATES TREAS NTS	Cost	11,237.	11,186.
26800 UNITED STATES TREAS BDS	Cost	29,957.	29,757.
28500 UNITE STATES TREAS BDS	Cost	30,006.	29,928.
	Total	$ 341,420.	$ 340,448.

State/Municipal Obligations	Valuation Method	Book Value	Fair Market Value
10000 IOWA FIN AUTH MIDWESTERN DISASTER	Cost	10,473.	10,307.
5000 IOWA FIN AUTH MIDWESTERN DISASTER	Cost	5,237.	5,153.
	Total	$ 15,710.	$ 15,460.
	Total	$ 357,130.	$ 355,908.

Statement 6
Form 990-PF, Part II, Line 10b
Investments - Corporate Stocks

Corporate Stocks	Valuation Method	Book Value	Fair Market Value
600 SHS ABBOTT LABS	Cost	$ 0.	$ 0.
144 SHS AMERICAN INTL GROUP	Cost	0.	0.
76 SHS AMERICAN INTL GROUP-WARRANTS	Cost	0.	0.
1357 SHS AT & T	Cost	9,915.	53,127.
303 SHS CHEVRON CORP NEW COM	Cost	10,749.	30,603.
4000 SHS CLECO CORP	Cost	0.	0.
580 SHS COCA CCLA	Cost	20,941.	25,868.
800 SHS DEVON ENERGY CORP	Cost	0.	0.
574 SHS EXXON MOBIL CORP	Cost	10,372.	51,097.
1000 WALGREENS BOOTS ALLIANCE INC	Cost	0.	0.
1652 SHS GENERAL ELECTRIC CO	Cost	5,438.	49,940.
316 SHS GENERAL MILLS	Cost	17,928.	19,838.
829 SHS INTEL CORP	Cost	15,354.	26,188.
144 SHS JOHNSON & JOHNSON	Cost	9,156.	16,227.
1000 SHS SOUTHERN COMPANIES	Cost	0.	0.
950 SHS VERIZON COMMUNICATIONS	Cost	20,751.	48,355.
1192 SHS VODAFONE GROUP PLC	Cost	0.	0.
1472 SHS EXCEL ENERGY INC	Cost	0.	0.
2000 DOUBLELINE INCOME SOLUTIONS FD	Cost	0.	0.
295 SHS ABBVIE INC.	Cost	8,562.	18,564.
426 SHS MERCK & CO	Cost	21,163.	23,967.
763 SHS MICROSOFT CORP	Cost	31,995.	40,439.
1000 SHS PIMCO DYNAMIC CR INCOME FD	Cost	0.	0.
1059 SHS ALTRIA GROUP INC	Cost	60,398.	67,395.

Statement 6 (continued)
Form 990-PF, Part II, Line 10b
Investments - Corporate Stocks

Corporate Stocks	Valuation Method	Book Value	Fair Market Value
102 SHS AMGEN INC	Cost	$ 15,363.	$ 16,111.
439 SHS BB & T CORP	Cost	16,589.	15,966.
216 SHS BOEING CO	Cost	30,559.	27,248.
532 SHS CMS ENERGY CORP	Cost	18,784.	22,248.
1162 SHS CENTERPOINT ENERGY INC	Cost	20,201.	26,180.
267 SHS CINCINNATI FINL CORP	Cost	16,037.	18,450.
1092 SHS CISCO SYS INC COM ISIN	Cost	30,632.	31,723.
375 SHS DOMINION RESOURCES INC VA NEW	Cost	25,319.	27,094.
292 SHS DOW CHEMICAL CO	Cost	15,538.	14,997.
483 SHS DUKE ENERGY CORP NEW COM	Cost	32,835.	37,785.
288 GENIUNE PARTS CO	Cost	24,874.	27,913.
544 SHS GLAXOSMITHKLINE ADR EACH CNV	Cost	22,345.	23,049.
370 SHS INTL PAPER CO	Cost	15,641.	15,599.
421 SHS JPMORGAN CHASE & CO	Cost	27,575.	27,479.
142 SHS KIMBERLY CLARK CORP	Cost	16,737.	18,040.
147 SHS LOCKHEED MARTIN CORP	Cost	31,563.	34,726.
215 SHS MACQUARIE INFRASTRUCTURE CORP	Cost	16,370.	15,396.
695 SHS MATTEL INC	Cost	17,854.	22,157.
473 SHS MAXIM INTEGRATED PRODS INC	Cost	18,964.	17,955.
212 SHS MCDONALDS CORP	Cost	23,957.	25,877.
187 SHS NEXTERA ENERGY INC COM	Cost	18,457.	22,462.
305 SHS OCCIDENTAL PETROLEUM CORP	Cost	23,014.	23,009.
355 SHS PAYCHEX INC COM	Cost	18,608.	19,248.
1121 SHS PEOPLES UNITED FINANCIAL INC	Cost	18,625.	17,801.
368 SHS PEPSICO INC	Cost	36,283.	37,231.
1261 SHS PFIZER INC	Cost	41,525.	43,757.
436 SHS PHILIP MORRIS INTL INC COM	Cost	37,125.	43,024.
387 SHS PROCTER & GAMBLE	Cost	29,489.	31,362.
866 SHS REYNOLDS AMERN INC	Cost	38,555.	43,040.
292 SHS ROYAL DUTCH SHELL PLC SPON ADR B	Cost	14,648.	14,244.
149 SHS UNITED PARCEL SVC INC CL B	Cost	15,512.	15,360.
335 SHS WAL-MART STORES INC COM	Cost	20,693.	23,711.
322 SHS WELLS FARGO & CO NEW	Cost	17,816.	16,332.
196 SHS CAPITAL ONE FINL CORP DEP 6.25%	Cost	5,082.	5,184.
141 SHS GOLDMAN SACHS GROUP 5.95%	Cost	3,577.	3,652.
147 SHS JPMORGAN CHASE & CO DEP 5.5%	Cost	3,644.	3,747.
131 SHS JPMORGAN CHASE & CO DEP 6.7%	Cost	3,509.	3,647.
236 SHS FABRINET COM USD0.01	Cost	5,376.	8,378.
67 SHS ICON PLC SHS ISIN	Cost	4,561.	4,719.
55 SHS JAZZ PHARMACEUTICALS PLC COM	Cost	7,751.	8,336.
133 SHS MELLANOX TECHNOLOGIES LTD COM	Cost	7,321.	6,304.
200 SHS SAPIENS INTL CORP N V SHS NEW	Cost	2,414.	2,430.
81 SHS ACADIA HEALTHCARE COMPANY INC	Cost	5,195.	4,768.
54 SHS ADVANCE AUTO PARTS INC COM	Cost	8,154.	8,307.
265 SHS AQUA AMERICA INC	Cost	7,599.	8,562.
236 SHS B & G FOODS INC NEW COM	Cost	8,502.	10,146.
120 SHS BALCHEM CORP COM ISIN	Cost	7,589.	7,194.
205 SHS BERRY PLASTICS GROUP INC	Cost	7,601.	8,030.
237 SHS CAPITAL BK FINL CORP COM	Cost	7,466.	7,309.
70 SHS CARTER INC	Cost	7,207.	7,038.
345 SHS CHART INDS INC COM	Cost	7,253.	8,956.
211 SHS CHEMICAL FINANCIAL CORPORATION	Cost	7,626.	8,313.
92 SHS CHURCH & DWIGHT INC	Cost	7,731.	9,060.
253 SHS COLFAX CORP COM	Cost	6,820.	6,854.
55 SHS DIAMONDBACK ENERGY INC	Cost	3,648.	5,002.

Statement 6 (continued)
Form 990-PF, Part II, Line 10b
Investments - Corporate Stocks

Corporate Stocks	Valuation Method	Book Value	Fair Market Value
60 SHS DOLLAR GEN CORP	Cost	$ 4,567.	$ 5,394.
313 SHS ECHO GLOBAL LOGISTICS INC	Cost	7,717.	7,093.
345 SHS ENVISION HEALTHCARE HLDGS INC	Cost	9,390.	8,559.
181 SHS FIRST CASH FINL SVCS	Cost	7,230.	7,908.
89 SHS FLEETCOR TECHNOLOGIES INC	Cost	13,052.	13,251.
158 SHS FORTUNE BRANDS HOME & SECURITY	Cost	7,962.	9,270.
126 SHS HAIN CELESTIAL GROUP INC	Cost	4,855.	6,229.
217 SHS HEALTHCARE SVCS GRP INC	Cost	7,768.	8,463.
130 SHS HEICO CORP	Cost	7,289.	8,652.
94 SHS INSPERITY INC	Cost	4,821.	6,765.
536 SHS INVESTORS BANCORP INC	Cost	6,722.	6,416.
46 SHS J & J SNACK FOODS CORP	Cost	4,852.	4,853.
1019 SHS JONES ENERGY INC	Cost	3,716.	3,872.
279 SHS LKQ CORP COM	Cost	7,463.	9,227.
441 SHS MATTEL INC	Cost	12,192.	14,059.
307 SHS MAXLINEAR INC CL A	Cost	4,892.	6,361.
71 SHS MONRO MUFFLER BRAKE INC	Cost	4,878.	4,469.
62 SHS MORNINGSTAR INC COM	Cost	4,994.	5,235.
85 SHS NAVIGATORS GROUP INC	Cost	7,245.	7,742.
371 SHS NUANCE COMMUNICATIONS INC	Cost	7,536.	6,203.
145 SHS PARSLEY ENERGY INC CL A	Cost	2,734.	3,780.
1043 SHS PRESICION DRILLING CORP COM	Cost	5,363.	4,913.
59 SHS PRICESMART INC	Cost	4,604.	5,227.
221 SHS PRIVATEBANCORP INC COM	Cost	8,977.	9,801.
111 SHS RPM INTL INC	Cost	4,612.	5,571.
128 SHS RESMED INC	Cost	7,423.	7,560.
272 SHS ROLLINS COM	Cost	7,271.	7,730.
146 SHS SCRIPPS NETWORKS INTERACTIVE INC	Cost	8,218.	9,394.
263 SHS SERVICEMASTER GLOBAL HLDGS INC	Cost	9,811.	10,057.
68 SHS SKYWORKS SOLUTIONS INC	Cost	4,850.	4,540.
288 SHS SPIRIT AIRLS INC COM	Cost	14,879.	12,519.
100 SHS STERICYCLE INC COM	Cost	10,802.	9,799.
109 SHS TECH DATA CORP	Cost	7,736.	8,237.
85 SHS U S PHYSICAL THERAPY INC	Cost	4,818.	4,910.
231 SHS U S SILICA HLDGS INC COM	Cost	5,126.	6,590.
448 SHS UMPQUA HOLDINGS CORP	Cost	7,454.	7,164.
298 SHS UNIT CORP	Cost	2,756.	4,163.
111 SHS VCA INC COM STK	Cost	6,274.	7,207.
103 SHS VERISK ANALYTICS INC COM	Cost	7,617.	8,177.
103 SHS WASTE CONNECTIONS INC	Cost	5,156.	6,743.
143 SHS WHOLE FOODS MKT INC	Cost	4,795.	4,626.
	Total	$ 1,426,852.	$ 1,732,847.

Statement 7
Form 990-PF, Part II, Line 10c
Investments - Corporate Bonds

Corporate Bonds	Valuation Method	Book Value	Fair Market Value
30000 ECOLAB INC BOND	Cost	$ 30,293.	$ 30,310.
36000 WELLS FARGO CO MTN BE	Cost	36,340.	36,337.
47000 COMCAST CORP NEW NOTE	Cost	48,626.	48,612.
55000 GOLDMAN SACHS GROUP INC	Cost	56,396.	56,478.
33000 CISCO SYS INC NOTE	Cost	33,098.	33,073.
36000 COSTCO WHSL CORP NOTE	Cost	37,373.	37,320.
36000 AMERICAN EXPRESS CR CORP	Cost	36,346.	36,401.
33000 HESS CORP NOTE	Cost	37,386.	36,649.
36000 EBAY INC NOTE	Cost	35,632.	36,221.
36000 JPMORGAN CHASE & CO	Cost	36,081.	36,324.
36000 WALGREENS BOOTS ALLIANCE INC	Cost	36,532.	36,789.
36000 AMAZON CCM INC BOND	Cost	36,846.	37,341.
37000 DEERE JOHN CAP CORP MTNS BE	Cost	37,104.	37,347.
39000 WILLIAMS PARTNER LP	Cost	40,576.	39,257.
35000 VERIZON COMMUNICATIONS INC	Cost	33,138.	35,498.
39000 KINDER MORGAN ENERGY PARTNERS	Cost	38,865.	40,488.
15000 NOBLE HOLD INT LTD NOTE	Cost	9,374.	8,625.
36000 AT&T INC NOTE	Cost	38,025.	40,755.
13000 TRANSOCEAN INC BOND	Cost	8,630.	8,255.
39000 ABBVIE INC NOTE	Cost	36,600.	38,614.
19000 M D C HLDGS INC NOTE	Cost	15,170.	14,630.
14000 ROWAN COS INC NOTE	Cost	9,866.	8,785.
39000 ENTERPRISE PRODS OPER LP NOTE	Cost	39,389.	40,352.
36000 CITIGROUP INC	Cost	36,425.	36,540.
	Total	$ 804,111.	$ 811,001.

Statement 8
Form 990-PF, Part II, Line 13
Investments - Other

Other Investments	Valuation Method	Book Value	Fair Market Value
500 SHS TEMPLETON DRAGON FUND	Cost	$ 0.	$ 0.
780.809 SHS OPPENHEIMER DEVELOP FUND	Cost	0.	0.
NUMEROUS OIL & ROYALTY INTERESTS	Cost	1.	1.
12051	Cost	0.	0.
Total Other Investments		$ 1.	$ 1.

Other Publicly Traded Securities	Valuation Method	Book Value	Fair Market Value
10200 SHS ENTERPRISE PRODUCTS PTRS	Cost	0.	0.
2500 PLAINS ALL AMERICAN PIPELINE	Cost	0.	0.
1100 ENERGY TRANSFER PARTNERS	Cost	0.	0.
130 SHS ALLSTATE CORP DEP SH 6.625%	Cost	3,548.	3,658.
191 SHS BANK OF AMERICA CORP 6.625%	Cost	5,056.	5,119.
177 SHS CROWN CASTLE INTL CORP	Cost	15,572.	16,073.
175 SHS DIGITAL RLTY TR INC	Cost	12,494.	16,704.
245 SHS EPR PPTYS SBI USD0.01	Cost	13,323.	17,464.
436 SHS LAMAR ADVERTISING CO CL A	Cost	25,535.	28,362.
174 SHS MID-AMER APT CMNTYS INC	Cost	14,342.	17,920.
458 SHS NATIONAL RETAIL PPTYS INC	Cost	16,424.	20,761.

Statement 8 (continued)
Form 990-PF, Part II, Line 13
Investments - Other

Other Publicly Traded Securities			
116 SHS SIMON PPTY GRP INC	Cost	$ 22,088.	$ 22,926.
430 SHS WEINGARTEN RLTY INVS SH BEN INT	Cost	14,408.	16,181.
149 SHS ISHARES IBOXX INVESTMENT	Cost	17,106.	17,789.
237 SHS SHARES TR IBOXX HI YD ETF	Cost	19,986.	19,816.
712 SHS ISHARES TR U.S. PFD STK ITF	Cost	27,793.	28,196.
68 SHS CORSITE REALTY CORP	Cost	3,521.	5,158.
89 SHS MID-AMER APT CMNTYS INC	Cost	7,659.	9,166.
162 SHS ISHARES MSCI EAFE ETF	Cost	9,588.	9,458.
217 SHS ISHARES RUSSELL 2000 ETF	Cost	24,494.	24,955.
54 SHS ISHARES US TELECOMMUNICATION	Cost	1,693.	1,706.
394 SHS SPDR S&P 500 ETF TR UNIT SER 1	Cost	74,321.	82,677.
136 SHS SPDR S&P MIDCAP 400 ETF TR	Cost	35,309.	36,968.
42 SHS SELECT SECTOR SPDR TR SHS BEN INT	Cost	1,954.	1,971.
149 SHS SELECT SECTOR SPDR TR HEATH CARE	Cost	10,412.	10,631.
134 SHS SECTOR SPDR TR SHS BEN INT CONSU	Cost	7,083.	7,056.
117 SHS SELECT SPECTOR SPDR TR CONSUMER	Cost	9,314.	9,271.
72 SHS SECTOR SPDR TR SHS BEN INT ENERGY	Cost	4,812.	4,815.
306 SHS SECTOR SPDR TR SHS BEN INT FINAN	Cost	7,041.	7,268.
133 SHS SECTOR SPDR TR SHS BEN INT INDUS	Cost	7,419.	7,437.
333 SHS SECTOR SPDR SHS BEN INT	Cost	14,422.	14,715.
43 SHS SECTOR SPDR TR SHS BEN INT UTILIT	Cost	2,096.	2,113.
154 SHS ISHARES U S REAL ESTATE	Cost	11,895.	12,051.
79 SHS SPDR GOLD TR GOLD SHS	Cost	9,506.	9,169.
931 SHS ISHARES TR IBOXX HI YD ETF	Cost	76,487.	77,841.
2268 SHS ISHARES TR MBS ETF	Cost	247,687.	248,006.
Total Other Publicly Traded Securities		$ 775,388.	$ 813,401.
Total		$ 775,389.	$ 813,402.

Statement 9
Form 990-PF, Part II, Line 14
Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value	Fair Market Value
Machinery and Equipment	$ 3,084.	$ 0.	$ 3,084.	$ 3,084.
Total	$ 3,084.	$ 0.	$ 3,084.	$ 3,084.

Statement 10
Form 990-PF, Part III, Line 3
Other Increases

ACCRUED INTEREST ON PURCHASES	$ 10,920.
DISTRIBUTIONS RECEIVED NOT TAXABLE	5,090.
TAX BOOK DIFFERENCE ON SALE OF MLPS	47,069.
Total	$ 63,079.

Statement 11
Form 990-PF, Part IV, Line 1
Capital Gains and Losses for Tax on Investment Income

Item	(a) Description	(b) How Acquired	(c) Date Acquired	(d) Date Sold
1	200 SHARES WALGREEN'S BOOTS ALLIANCE	Purchased	10/20/2014	7/09/2015
2	VARIOUS LONG TERM GAIN-SCHEDULE ON FILE	Purchased	Various	7/09/2015
3	200 SHARES ENERGY TRANSFER PARTNERS	Purchased	9/25/2012	7/09/2015
4	2000 SHARES ENTERPRISE PRODUCTS PARTNERS LP	Purchased	1/20/2006	7/09/2015
5	1000 SJARES PLAINS ALL AMER PIPELINE LP	Purchased	9/25/2012	7/09/2015
6	VARIOUS SHORT TERM GAIN-SCHEDULE ON FILE	Purchased	Various	Various
7	VARIOUS SHORT TERM LOSS-SCHEDULE ON FILE	Purchased	Various	Various
8	VARIOUS SHORT TERM LOSS-SCHEDULE ON FILE	Purchased	Various	Various
9	VARIOUS SHORT TERM LOSS-SCHEDULE ON FILE	Purchased	Various	Various
10	VARIOUS LONG TERM GAIN-SCHEDULE ON FILE	Purchased	Various	Various
11	TEMPLETON DRAGON FD-CAPITAL GAIN DIVIDEN	Purchased	Various	7/09/2015
12	FIDELITY CAPITAL GAIN DIVIDEND	Purchased	Various	Various

Item	(e) Gross Sales	(f) Deprec. Allowed	(g) Cost Basis	(h) Gain (Loss)	(i) FMV 12/31/69	(j) Adj. Bas. 12/31/69	(k) Excess (i)-(j)	(l) Gain (Loss)
1	17,515.		12,168.	5,347.				$ 5,347.
2	686,414.		207,245.	479,169.				479,169.
3	10,128.		8,667.	1,461.				1,461.
4	59,583.		25,791.	33,792.				33,792.
5	42,355.		45,100.	-2,745.				-2,745.
6	617,563.		602,310.	15,253.				15,253.
7	316,487.		355,117.	-38,630.				-38,630.
8	418,954.		437,069.	-18,115.				-18,115.
9	238,573.		270,459.	-31,886.				-31,886.
10	1592984.		668,122.	924,862.				924,862.
11	897.		0.	897.				897.
12	17.		0.	17.				17.
							Total	$ 1369422.

Statement 12
Form 990-PF, Part VIII, Line 1
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen-sation	Contri-bution to EBP & DC	Expense Account/ Other
JILL LEWIS 11015 RIVERVIEW HOUSTON, TX 77042	Secretary 0	$ 0.	$ 0.	$ 0.
JOHN T WOOLDRIDGE HOUSTON, TX	Trustee 0	0.	0.	0.
CHERYL DUFF 1210 AUGUSTA HOUSTON, TX 77057	President 0	0.	0.	0.

Statement 12 (continued)
Form 990-PF, Part VIII, Line 1
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen-sation	Contri-bution to EBP & DC	Expense Account/ Other
D. S. OSBORNE 4400 POST OAK PKWY, STE 2240 HOUSTON, TX 77027	Director 0	$ 0.	$ 0.	$ 0.
CARROLL PHILLIPS 401 LONGWOODS HOUSTON, TX 77024	Director 0	0.	0.	0.
BRAD DUFF 1210 AUGUSTA HOUSTON, TX 77057	Vice President 0	0.	0.	0.
	Total	$ 0.	$ 0.	$ 0.

Statement 13
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Found-ation Status	Purpose of Grant	Amount
BOYS & GIRLS HARBOR, INC P. O. BOX 848 HOUSTON TX 77001	NONE	501(C)(3)	GRANTS TO OTHER BENEVOLENT ORGANIZATIONS	$ 5,000.
BURTON COTTON GIN & MUSEUM P. O. BOX 98 BURTON TX 77835	NONE	501(C)(3)	GRANTS TO OTHER BENEVOLENT ORGANIZATIONS	5,000.
CAMP FOR ALL 10500 NW FREEWAY, #145 HOUSTON TX 77092	NONE	501(C)(3)	SCHOLARSHIPS TO INTERCITY YOUTH	2,500.
CHRISTIAN COMMUNITY SER C P. O. BOX 27924 HOUSTON TX 77227	NONE	501(C)(3)	GRANTS TO OTHER BENEVOLENT ORGANIZATIONS	7,500.
GOOD SAMARITAN FOUNDATION P. O. BOX 271108 HOUSTON TX 77277	NONE	501(C)(3)	GRANTS TO OTHER BENEVOLENT ORGANIZATIONS	10,000.
HOSPICE AT MEDICAL CENTER 6205 ALMEDA HOUSTON TX 77021	NONE	501(C)(3)	GRANTS TO HOSPITAL, MEDICAL CARE & RESEARCH	7,500.

Statement 13 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Foundation Status	Purpose of Grant	Amount
HUMAN RESOURCES DEVELOP F P. O. BOX 25213 HOUSTON TX 77265	NONE	501(C)(3)	GRANTS TO OTHER BENEVOLENT ORGANIZATIONS	$ 7,500.
OPEN DOOR MISSION FND. P. O. BOX 925351 HOUSTON TX 77054	NONE	501(C)(3)	GRANTS TO OTHER BENEVOLENT ORGANIZATIONS	10,000.
THE BROOKWOOD COMMUNITY 1752 FM 1489 BROOKSHIRE TX 77423	NONE	501(C)(3)	GRANTS TO OTHER BENEVOLENT ORGANIZATIONS	5,000.
THE CENTER FOUNDATION 3550 WEST DALLAS HOUSTON TX 77219	NONE	501(C)(3)	GRANTS TO OTHER BENEVOLENT ORGANIZATIONS	25,000.
DUNCAN RISE SCHOOL OF HOUSTON 8080 NORTH STADIUM DR. HOUSTON TX 77054	NONE	501(C)(3)	EDUCATION	10,000.
TIRR-JJA ENDOWNMENT FD 5100 TRAVIS HOUSTON TX 77002	NONE	501(C)(3)	GRANTS TO HOSPITAL, MEDICAL CARE & RESEARCH	13,000.
UNIVERSITY OF TEXAS-PAISANO DR SLATE, MAIN BLDG 101 AUSTIN TX 78712	NONE	501(C)(3)	EDUCATION GRANTS TO SCHOOLS & COLLEGES	25,000.
THE 100 CLUB 5555 SAN FELIPE ST., STE 1750 HOUSTON TX 77056	NONE	501(C)(3)	ASSIST FAMILIES OF FALLEN OFFICERS	10,000.
STRATFORD HIGH SCHOOL BAND BOOSTERS 14555 FERN DR HOUSTON TX 77079	NONE	501(C)(3)	EDUCATION	5,000.
DEPRESSION & BIPOLAR SUPPORT ALLIANCE 3800 BUFFALO SPEEDWAY, SUITE 350 HOUSTON TX 77098	NONE	501(C)(3)	MEDICAL SUPPORT	5,000.
			Total	$ 153,000.