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Form **990-PF**
 Department of the Treasury
 Internal Revenue Service

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

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 ▶ **Information about Form 990-PF and its instructions is at www.irs.gov/form990pf.**

OMB No 1545-0052
2016
Open to Public Inspection

For calendar year 2016, or tax year beginning 01-01-2016 , and ending 12-31-2016

Name of foundation GRITS FOUNDATION		A Employer identification number 31-1505617	
Number and street (or P O box number if mail is not delivered to street address) 5005 WOODWAY		B Telephone number (see instructions) (713) 850-7702	
City or town, state or province, country, and ZIP or foreign postal code HOUSTON, TX 77056		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) ▶ \$ 3,958,329		J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)	
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>	

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))</small>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	130,394			
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		116,710		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11		130,394	116,710		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	2,500	2,500		
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	578	578		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	261	261		
	24 Total operating and administrative expenses. Add lines 13 through 23	3,339	3,339		
	25 Contributions, gifts, grants paid	190,164			190,164
26 Total expenses and disbursements. Add lines 24 and 25	193,503	3,339		190,164	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	-63,109				
b Net investment income (if negative, enter -0-)		113,371			
c Adjusted net income (if negative, enter -0-)					

Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	215,699	374,360	374,360
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	4 Pledges receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach schedule) ▶ _____ 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)	48,600	48,600	69,023
	b Investments—corporate stock (attach schedule)	247,459	544,329	2,640,162
	c Investments—corporate bonds (attach schedule)	101,959	101,959	97,412
	11 Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)	1,304,619	880,313	777,372
	14 Land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
15 Other assets (describe ▶ _____)				
16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	1,918,336	1,949,561	3,958,329	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶ _____)			
	23 Total liabilities (add lines 17 through 22)		0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <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			
	28 Paid-in or capital surplus, or land, bldg , and equipment fund			
29 Retained earnings, accumulated income, endowment, or other funds	1,918,336	1,949,561		
30 Total net assets or fund balances (see instructions)	1,918,336	1,949,561		
31 Total liabilities and net assets/fund balances (see instructions) .	1,918,336	1,949,561		

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	1,918,336
2 Enter amount from Part I, line 27a	2	-63,109
3 Other increases not included in line 2 (itemize) ▶ _____	3	94,334
4 Add lines 1, 2, and 3	4	1,949,561
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	1,949,561

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day , yr)	(d) Date sold (mo , day , yr)
1 a 800 SHS ISHARES	P	2015-02-24	2016-12-08
b 200 SHS NATURAL RESOURCE PARTNERS	P	2003-07-28	2016-12-08
c 2280 SHS KIRBY	D	2015-01-01	2016-12-08
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 94,456	0	102,740	-8,284
b 7,064	0	34,801	-27,737
c 153,495	0	764	152,731
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 0	0	0	-8,284
b 0	0	0	-27,737
c 0	0	0	152,731
d			
e			

2 Capital gain net income or (net capital loss)	2	116,710
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	3	

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
 If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2015	237,689	4,257,311	0 055831
2014	298,517		0 000000
2013	340,423	4,664,863	0 072976
2012			0 000000
2011			0 000000

2 Total of line 1, column (d)	2	0 128807
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0 025761
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	94,538
5 Multiply line 4 by line 3	5	2,435
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,134
7 Add lines 5 and 6	7	3,569
8 Enter qualifying distributions from Part XII, line 4 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	8	190,164

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

Table with 11 rows for excise tax calculation. Includes fields for exempt foundations, domestic foundations, tax under section 511, subtitle A tax, tax based on investment income, credits/payments, and tax due/overpayment. Total tax due is 1,143.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Includes questions about political campaigns, political expenditures, unrelated business income, liquidation, and state reporting. Includes Yes/No columns.

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions). 11 No
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions) 12 No
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address N/A 13 Yes
14 The books are in care of JOHN PETERKIN Telephone no (713) 850-7702

Located at 5005 WOODWAY SUITE 200 HOUSTON TX ZIP+4 77056

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

16 At any time during calendar year 2016, 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 instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) If "Yes," enter the name of the foreign country

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

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

1a During the year did the foundation (either directly or indirectly)
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? Yes No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? Yes No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? Yes No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? Yes No
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? Yes No
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). Yes No
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? 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 2016?
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 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? 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)
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here 20, 20, 20, 20
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? Yes No
b If "Yes," did it have excess business holdings in 2016 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 2016).
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?
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 2016?

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)? Yes No
 Organizations relying on a current notice regarding disaster assistance check here.

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? Yes No
 If "Yes," attach the statement required by Regulations section 53.4945–5(d)

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
 If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No

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

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

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

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

(a) Name and address of each employee paid more than \$50,000	Title, and average hours per week (b) devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) 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 THE FOUNDATION HAS NO DIRECT CHARITABLE ACTIVITY NO OTHER ORGANIZATION OR BENEFICIARIES ARE SERVED THERE ARE NO OTHER ACTIVITIES	0
2	0
3	0
4	0

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

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

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities.	1a	64,781
b	Average of monthly cash balances.	1b	31,197
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	95,978
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation).	1e	
2	Acquisition indebtedness applicable to line 1 assets.	2	
3	Subtract line 2 from line 1d.	3	95,978
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	1,440
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	94,538
6	Minimum investment return. Enter 5% of line 5.	6	4,727

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	4,727
2a	Tax on investment income for 2016 from Part VI, line 5.	2a	1,134
b	Income tax for 2016 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	1,134
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	3,593
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	3,593
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	3,593

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	190,164
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	190,164
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	1,134
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	189,030

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 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7				3,593
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only.			212,605	
b Total for prior years 20___, 20___, 20___				
3 Excess distributions carryover, if any, to 2016				
a From 2011.				
b From 2012.				
c From 2013.			341,690	
d From 2014.			305,500	
e From 2015.			237,950	
f Total of lines 3a through e.	885,140			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ \$ _____ 190,164				
a Applied to 2015, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see instructions).				
c Treated as distributions out of corpus (Election required—see instructions).				
d Applied to 2016 distributable amount.				
e Remaining amount distributed out of corpus	190,164			
5 Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	1,075,304			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.				
d Subtract line 6c from line 6b Taxable amount—see instructions				
e Undistributed income for 2015 Subtract line 4a from line 2a Taxable amount—see instructions			212,605	
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2017				3,593
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions).				
8 Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions).				
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	1,075,304			
10 Analysis of line 9				
a Excess from 2012.				
b Excess from 2013.			341,690	
c Excess from 2014.			305,500	
d Excess from 2015.			237,950	
e Excess from 2016.			190,164	

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2016, enter the date of the ruling. ▶

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

	Tax year	Prior 3 years			(e) Total
	(a) 2016	(b) 2015	(c) 2014	(d) 2013	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed.					
c "Support" alternative test—enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii).					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 Information Regarding Foundation Managers:

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

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

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

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

a The name, address, and telephone number or e-mail address of the person to whom applications should be addressed
 JOHN T PETERKIN
 5005 WOODWAY SUITE 200
 HOUSTON, TX 77056
 (713) 254-4809

b The form in which applications should be submitted and information and materials they should include
 NO FORMAL APPLICATION REQUESTS FROM 501(C)(3) ORGANIZATIONS SHOULD INCLUDE

c Any submission deadlines
 NONE

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors
 NONE

Part XV **Supplementary Information** (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i> See Additional Data Table				
Total ▶ 3a				190,164
b <i>Approved for future payment</i>				
Total ▶ 3b				

Form 990PF Part VIII Line 1 - List all officers, directors, trustees, foundation managers and their compensation

(a) Name and address	Title, and average hours per week (b) devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances
NANCY G PETERKIN 5005 WOODWAY 200 HOUSTON, TX 77056	V-P, DIR 1 00	0	0	0
JOHN T PETERKIN 5005 WOODWAY 200 HOUSTON, TX 77056	PRESIDENT 1 00	0	0	0
GEORGE A PETERKIN III 5005 WOODWAY 200 HOUSTON, TX 77056	DIRECTOR 1 00	0	0	0
SUSAN PETERKIN HEY 5005 WOODWAY 200 HOUSTON, TX 77056	SEC , DIR 1 00	0	0	0
LYNN PETERKIN 5005 WOODWAY 200 HOUSTON, TX 77056	DIRECTOR 1 00	0	0	0

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
COMMUNITIES IN SCHOOLS 2150 W 18TH STREET HOUSTON, TX 77008		PUBLICCHARITY	UNRESTRICTED(CASH)	10,000
MUSEUM OF FINE ARTS PO BOX 6826 HOUSTON, TX 77265		PUBLICCHARITY	DECORATIVE ARTS(CASH)	5,000
HOUSTON ARBORETUM 4501 WOODWAY HOUSTON, TX 77024		PUBLICCHARITY	UNRESTRICTED(CASH)	5,000
NEUHAUS EDUCATION CENTER 4433 BISSONNET BELLAIRE, TX 77401		PUBLICCHARITY	UNRESTRICTED(CASH)	10,000
PLANNED PARENTHOOD 3601 FANNIN HOUSTON, TX 77004		PUBLICCHARITY	OPERATING BUDGET(CASH)	90,164
Total			▶ 3a	190,164

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
THE RISE SCHOOL OF HOUSTON 8080 NORTH STADIUM DRIVE HOUSTON, TX 77054		PUBLICCHARITY	UNRESTRICTED(CASH)	10,000
TEACH FOR AMERICA 2 GREENWAY PLAZA 5TH FLOOR HOUSTON, TX 77046		PUBLICCHARITY	LOCAL USE(CASH)	10,000
URBAN HARVEST 2311 CANAL STREET 200 HOUSTON, TX 77003		PUBLICCHARITY	UNRESTRICTED(CASH)	10,000
PERC 401 GEORGE BUSH DRIVE AUSTIN, TX 77840		PUBLICCHARITY	UNRESTRICTED(CASH)	5,000
EPISCOPAL HIGH SCHOOL PO BOX 271299 HOUSTON, TX 77277		PUBLICCHARITY	UNRESTRICTED(CASH)	5,000
Total				190,164

▶ **3a**

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
MUSEUM OF FINE ARTS PO BOX 6826 HOUSTON, TX 77265		PUBLICCHARITY	AMERICAN PAINTING(CASH)	5,000
MEDICAL BRIDGES 2706 MAGNET STREET HOUSTON, TX 77054		PUBLICCHARITY	UNRESTRICTED(CASH)	5,000
CASA DE ESPERANZA PO BOX 66581 HOUSTON, TX 77266		PUBLICCHARITY	UNRESTRICTED(CASH)	10,000
ARCHAEOLOGICAL INSTITUTE OF AMERICA PO BOX 271062 HOUSTON, TX 77277		PUBLICCHARITY	UNRESTRICTED(CASH)	5,000
ST THOMAS HIGH SCHOOL 4500 MEMORIAL DR HOUSTON, TX 77007		PUBLICCHARITY	UNRESTRICTED(CASH)	5,000
Total			▶ 3a	190,164

TY 2016 Accounting Fees Schedule**Name:** GRITS FOUNDATION**EIN:** 31-1505617

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ANN MCNATT GENERAL ACCOUNTING SERVICES	2,500			

TY 2016 All Other Program Related Investments Schedule**Name:** GRITS FOUNDATION**EIN:** 31-1505617**Category****Amount**

NONE

TY 2016 Investments Corporate Bonds Schedule

Name: GRITS FOUNDATION

EIN: 31-1505617

Name of Bond	End of Year Book Value	End of Year Fair Market Value
VARIOUS AT STEPHENS	101,959	97,412

TY 2016 Investments Corporate Stock Schedule**Name:** GRITS FOUNDATION**EIN:** 31-1505617

Name of Stock	End of Year Book Value	End of Year Fair Market Value
VARIOUS AT STEPHENS	544,329	2,640,162

TY 2016 Investments Government Obligations Schedule**Name:** GRITS FOUNDATION**EIN:** 31-1505617**US Government Securities - End
of Year Book Value:**

48,600

**US Government Securities - End
of Year Fair Market Value:**

69,023

**State & Local Government
Securities - End of Year Book
Value:****State & Local Government
Securities - End of Year Fair
Market Value:**

TY 2016 Investments - Other Schedule**Name:** GRITS FOUNDATION**EIN:** 31-1505617

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
VARIOUS AT STEPHENS (CLOSED END FUNDS)		243,297	188,580
VARIOUS AT STEPHENS (PREFERRED STOCK)		637,016	588,792

TY 2016 Other Expenses Schedule**Name:** GRITS FOUNDATION**EIN:** 31-1505617**Other Expenses Schedule**

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INCOME TAX	261	261		

TY 2016 Other Increases Schedule**Name:** GRITS FOUNDATION**EIN:** 31-1505617

Description	Amount
ADJ STOCK VALUE	94,334

TY 2016 Taxes Schedule**Name:** GRITS FOUNDATION**EIN:** 31-1505617

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FOREIGN TAXES	578	578		