

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

Name of foundation The Guadalupe and Lilia Martinez Foundation		A Employer identification number 74-3005930	
Number and street (or P O box number if mail is not delivered to street address) 361 Pine Valley Drive		Room/suite	B Telephone number (see instructions) (972) 549-1605
City or town, state or province, country, and ZIP or foreign postal code Fairview, TX 75069		C If exemption application is pending, check here ☐	
G Check all that apply ☐ Initial return ☐ Final return ☐ Address change ☐ Initial return of a former public charity ☐ Amended return ☐ Name change		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐	
H Check type of organization ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐	
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 40,132,516	J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify) (Part I, column (d) must be on cash basis)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐	

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)				
	2 Check ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	1,197,471	1,197,471		
	5a Gross rents	4,423	4,423		
	b Net rental income or (loss) 4,423				
	6a Net gain or (loss) from sale of assets not on line 10	-35,567			
	b Gross sales price for all assets on line 6a 4,353,365				
	7 Capital gain net income (from Part IV, line 2)		0		
	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) (attach schedule)				
	11 Other income (attach schedule)	 435,446	435,446		
	12 Total. Add lines 1 through 11	1,601,773	1,637,340		
	13 Compensation of officers, directors, trustees, etc	315,000	315,000		0
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)	 450	450		0
	b Accounting fees (attach schedule)	 13,200	13,200		0
	c Other professional fees (attach schedule)	 187,313	187,313		0
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	 99,186	99,186		0
	19 Depreciation (attach schedule) and depletion	54,602	54,602		
	20 Occupancy	852	852		0
	21 Travel, conferences, and meetings	17,398	17,398		0
	22 Printing and publications				
	23 Other expenses (attach schedule)	 85,438	85,438		0
	24 Total operating and administrative expenses. Add lines 13 through 23	773,439	773,439		0
	25 Contributions, gifts, grants paid	1,992,895			1,992,895
	26 Total expenses and disbursements. Add lines 24 and 25	2,766,334	773,439		1,992,895
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	-1,164,561			
	b Net investment income (if negative, enter -0-)		863,901		
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			
	2 Savings and temporary cash investments	843,544	890,281	890,281
	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)	346,955	271,022	223,873
	b Investments—corporate stock (attach schedule)	31,558,395	31,168,845	31,690,329
	c Investments—corporate bonds (attach schedule)	449,136	449,373	458,172
	11 Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)	5,085,873	4,394,136	3,911,736
	14 Land, buildings, and equipment basis ▶ _____ 117,692 Less accumulated depreciation (attach schedule) ▶ _____	117,692	117,692	2,893,070
15 Other assets (describe ▶ _____)	58,091	65,055	65,055	
16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	38,459,686	37,356,404	40,132,516	
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	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0	0	
	28 Paid-in or capital surplus, or land, bldg , and equipment fund	0	0	
	29 Retained earnings, accumulated income, endowment, or other funds	38,459,686	37,356,404	
30 Total net assets or fund balances (see instructions)	38,459,686	37,356,404		
31 Total liabilities and net assets/fund balances (see instructions) .	38,459,686	37,356,404		

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	38,459,686
2 Enter amount from Part I, line 27a	2	-1,164,561
3 Other increases not included in line 2 (itemize) ▶ _____	3	61,361
4 Add lines 1, 2, and 3	4	37,356,486
5 Decreases not included in line 2 (itemize) ▶ _____	5	82
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 .	6	37,356,404

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 See Additional Data Table			
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 See Additional Data Table			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a See Additional Data Table			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	2	-35,567
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	2,019,764	40,078,649	0 050395
2014	1,995,581	41,900,132	0 047627
2013	1,991,967	40,607,203	0 049055
2012	1,902,830	37,732,038	0 050430
2011	1,704,163	35,589,445	0 047884

2 Total of line 1, column (d)	2	0 245391
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 049078
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	39,005,397
5 Multiply line 4 by line 3	5	1,914,307
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	8,639
7 Add lines 5 and 6	7	1,922,946
8 Enter qualifying distributions from Part XII, line 4	8	1,992,895

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b	1	8,639
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	8,639
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	8,639
6	Credits/Payments		
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	65,055
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	65,055
8	Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	56,416
11	Enter the amount of line 10 to be Credited to 2017 estimated tax ☐ 56,416 Refunded ☐	11	0

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a	No
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)? <i>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</i>	1b	No
c Did the foundation file Form 1120-POL for this year?	1c	No
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ☐ \$ 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? <i>If "Yes," attach a detailed description of the activities</i>	2	No
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>	3	No
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	No
b If "Yes," has it filed a tax return on Form 990-T for this year?	4b	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>	5	No
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	7	Yes
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ TX		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation</i> .	8b	Yes
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>	9	No
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10	No

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 ► <u>glmfoundation.org</u>	13	Yes	
14	The books are in care of ► <u>Robert J Gonzalez</u> Telephone no ► <u>(972) 549-1605</u>			

Located at **►** 361 Pine Valley Drive Fairview TX ZIP+4 **►** 75069

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 ► <u>15</u>			
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 ►	16	Yes	No

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)		Yes	No
	(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. ► ☐	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 2016? ☐	1c		No
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? ☐ 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). ☐	2b		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► 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). ☐	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?	4b		No

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	5b	
	Organizations relying on a current notice regarding disaster assistance check here.	☐		
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?	☐ 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	6b	No
	If "Yes" to 6b, file Form 8870			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes ☒ No		
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	☐ Yes ☒ No	7b	

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

[illegible][illegible]

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

3 Five highest-paid independent contractors for professional services (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	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3 ►	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	34,057,273
b	Average of monthly cash balances.	1b	995,453
c	Fair market value of all other assets (see instructions).	1c	4,546,662
d	Total (add lines 1a, b, and c).	1d	39,599,388
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	39,599,388
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	593,991
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	39,005,397
6	Minimum investment return. Enter 5% of line 5.	6	1,950,270

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	1,950,270
2a	Tax on investment income for 2016 from Part VI, line 5.	2a	8,639
b	Income tax for 2016 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	8,639
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	1,941,631
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	1,941,631
6	Deduction from distributable amount (see instructions).	6	0
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1.	7	1,941,631

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	1,992,895
b	Program-related investments—total from Part IX-B.	1b	0
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	1,992,895
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	8,639
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	1,984,256

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				1,941,631
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only.			0	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2016				
a From 2011.				
b From 2012. 48,152				
c From 2013. 17,921				
d From 2014.				
e From 2015. 61,904				
f Total of lines 3a through e.	127,977			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ \$ <u>1,992,895</u>				
a Applied to 2015, 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 2016 distributable amount.				1,941,631
e Remaining amount distributed out of corpus	51,264			
5 Excess distributions carryover applied to 2016 (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	179,241			
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 2015 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2017				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 2011 not applied on line 5 or line 7 (see instructions).	0			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	179,241			
10 Analysis of line 9				
a Excess from 2012. 48,152				
b Excess from 2013. 17,921				
c Excess from 2014.				
d Excess from 2015. 61,904				
e Excess from 2016. 51,264				

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)					
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	Tax year	Prior 3 years			(e) Total
	(a) 2016	(b) 2015	(c) 2014	(d) 2013	
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 Shirley Gonzalez 361 Pine Valley Drive Fairview, TX 75069 (972) 549-1605	
b The form in which applications should be submitted and information and materials they should include Nature of Charity and Application of Funds	
c Any submission deadlines Reviewed Continuously	
d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors Section 501(c)(3) organizations primarily, but not necessarily located in Webb and Zapata Counties, Texas	

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				1,992,895
b <i>Approved for future payment</i>				
Diocese of Laredo 1901 Corpus Christi St Laredo, TX 78043	None	Public	Operating fund	300,000
Habitat for Humanity of Laredo - Webb County PO Box 440709 Laredo, TX 78044	None	Public	Operating fund	60,000
Texas A&M International University 5201 University Boulevard Laredo, TX 780411900	None	Public	Operating fund	280,000
Total ► 3b				640,000

Enter gross amounts unless otherwise indicated

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

[illegible]

Part XVII

- | | Yes | No |
|-------|-----|----|
| 1a(1) | | No |
| 1a(2) | | No |
| 1b(1) | | No |
| 1b(2) | | No |
| 1b(3) | | No |
| 1b(4) | | No |
| 1b(5) | | No |
| 1b(6) | | No |
| 1c | | No |

[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

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

Print/Type preparer's name Sylvan Biediger CPA	Preparer's Signature	Date	Check if self-employed ☐	PTIN P00553102
Firm's name ▶ Sembera & Biediger PC CPA's				Firm's EIN ▶ 74-2555523
Firm's address ▶ 6800 Park Ten Blvd Ste 217-N San Antonio, TX 782134215				Phone no (210) 736-2451

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

List and describe the kind(s) of property sold (e g , real estate, (a) 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)
DFA US COR EQ	P		
Deutsche Croci Intl S	P		
Oppen Sr Flt Rt Y	P		
RMR Group Inc A	P		
Cap Inc Bldr F2	P		
Hrtfrd Flt Rt	P		
Hrtfrd Bal Inc	P		
Ishs Edge MSCI Min	P		
Lord Abb S/Dur Inc F	P		
Oppen Sr Flt Rt Y	P		

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
720,000		794,788	-74,788
542,044		620,131	-78,087
297,877		325,044	-27,167
10,638		5,695	4,943
970,000		1,070,759	-100,759
250,000		282,702	-32,702
715,000		678,059	36,941
94,681		69,391	25,290
100,000		106,005	-6,005
262,123		292,054	-29,931

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			-74,788
			-78,087
			-27,167
			4,943
			-100,759
			-32,702
			36,941
			25,290
			-6,005
			-29,931

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

List and describe the kind(s) of property sold (e g , real estate, (a) 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)
Pwrsh S&P500 LW Vltl Etf	P		
FHLMC G12382	P		
FHLMC K08525	P		
FNMA 831435	P		
GNMA 698666	P		
Corp Cap Trust	P		
Capital Gains Dividends	P		

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
94,549		71,275	23,274
8,130		8,130	0
8,019		8,019	0
1,194		1,194	0
55,686		55,686	0
95,027			95,027
128,397			128,397

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			23,274
			0
			0
			0
			0
			95,027
			128,397

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
Shirley Gonzalez	President/Director 30 00	80,000	0	0
361 Pine Valley Dr Fairview, TX 75069				
Robert Gonzalez	Treasurer/Director 35 00	65,000	0	0
361 Pine Valley Dr Fairview, TX 75069				
Robert J Gonzalez Jr	V-President/Director 20 00	75,000	0	0
12551 S 71ST East Avenue Bixby, OK 74008				
Ana S Gonzalez	Secretary/Director 20 00	75,000	0	0
1100 Brookview Drive Allen, TX 78002				
Claudia Y Gonzalez	Advisory/Director 10 00	20,000	0	0
12551 S 71ST East Avenue Bixby, OK 74008				

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>				
Angel of Hope - Posada En El Barrio Inc PO Box 420267 Laredo, TX 78042	None	Public	Operating fund	5,000
Area Health Education Center 1505 Calle Del Norte 430 Laredo, TX 78041	None	Public	Operating fund	30,000
Bethany House 819 Hidalgo St Laredo, TX 78040	None	Public	Operating fund	150,000
Boys and Girls Clubs of Laredo PO Box 1419 Laredo, TX 78042	None	Public	Operating fund	50,000
Children's Advocacy Center of Laredo - Webb County 111 N Merida Laredo, TX 78043	None	Public	Operating fund	20,250
Total ► 3a				1,992,895

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 - Laredo 2114 E Saunders Laredo, TX 78043	None	Public	Operating fund	25,150
Diocese of Laredo 1901 Corpus Christi St Laredo, TX 78043	None	Public	Operating fund	150,000
Dismas Ministry PO Box 070363 Milwaukee, WI 53207	None	Public	Operating fund	20,000
Dr Leo Cigarroa High School 2600 Zacatecas Laredo, TX 78045	None	Public	Operating fund	9,000
Families for Autism Support and Awareness PO Box 440851 Laredo, TX 780440851	None	Public	Operating fund	15,150
Total ▶ 3a				1,992,895

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>				
Friends of the Zapata County Museum of History Inc PO Box 697 Zapata, TX 78076	None	Public	Operating fund	35,000
Girl Scouts of Greater South Texas 202 E Madison Harlingen, TX 78550	None	Public	Operating fund	40,000
Habitat for Humanity of Laredo - Webb County PO Box 440709 Laredo, TX 78044	None	Public	Operating fund	60,000
Imaginarium of South Texas 5300 San Dario 505 Laredo, TX 78041	None	Public	Operating fund	20,000
Junior Achievement of Laredo 1 West End Washington St P-11 Laredo, TX 78040	None	Public	Operating fundOperating fund	27,000
Total ► 3a				1,992,895

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>				
Laredo Crime Stoppers Inc Box 2888 Laredo, TX 78044	None	Public	Operating fund	5,000
Laredo Animal Protective Society 2500 Gonzalez Street Laredo, TX 78040	None	Public	Operating fund	30,250
Laredo Center for the Arts 500 San Agustin Ave Laredo, TX 78040	None	Public	Operating fund	45,000
Laredo Community College Education Foundation West End Washington St Laredo, TX 780404395	None	Public	Operating fund	151,000
Laredo Diploma Plus Foundation Inc 7917 McPherson Rd 205 Laredo, TX 780452812	None	Public	Operating fund	32,000
Total ► 3a				1,992,895

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>				
Laredo Musical Theater International PO Box 450497 Laredo, TX 780450011	None	Public	Operating fund	50,000
Laredo Philharmonic Orchestra Box 1399 Laredo, TX 78042	None	Public	Operating fund	30,000
Laredo Stroke Support Group Inc 3408 Frost St Laredo, TX 78043	None	Public	Operating fund	5,000
Laredo-Webb Neighborhood Housing Services Inc 216 Bob Bullock Loop Laredo, TX 78043	None	Public	Operating fund	20,000
The Salvation Army South TexasRio Grande Valley 14038 Fairway Oaks San Antonio, TX 78217	None	Public	Operating fund	10,000
Total ► 3a				1,992,895

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>				
Make A Wish Foundation of America 3550 N Central Ste 300 Phoenix, AZ 85012	None	Public	Operating fund	10,100
Mercy Ministries 2500 Zacatecas St Laredo, TX 780430169	None	Public	Operating fund	150,000
United Day School 1701 San Isidro Parkway Laredo, TX 78045	None	Public	Operating fund	10,000
PILLAR PO Box 1702 Laredo, TX 78040	None	Public	Operating fund	60,100
Rio Grande International Study Center West End Washington St Laredo, TX 78040	None	Public	Operating fund	75,000
Total ▶ 3a				1,992,895

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>				
River Pierce Foundation Box 249 San Ygnacio, TX 78067	None	Public	Operating fund	60,000
Ruth B Cowl's Rehabilitation Center 1220 Malinche Ave Laredo, TX 78043	None	Public	Operating fund	75,000
Sacred Heart Children's Home 3310 South Zapata Highway Laredo, TX 78046	None	Public	Operating fund	28,500
South Texas Council Boy Scouts of America 700 Everhart Terrace Building A Corpus Christi, TX 48411	None	Public	Operating fund	15,000
South Texas Food Bank PO Box 2007 Laredo, TX 78044	None	Public	Operating fund	100,000
Total ▶ 3a				1,992,895

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>				
Texas A&M International University 5201 University Boulevard Laredo, TX 780411900	None	Public	Operating fund	280,000
Texas A&M University-Kingsville Foundation Box 2202 Kingsville, TX 78363	None	Public	Operating fund	84,395
Zapata High School 2009 State Highway 16 Zapata, TX 78076	None	Public	Operating fund	10,000
Total ► 3a				1,992,895

TY 2016 Accounting Fees Schedule

Name: The Guadalupe and Lilia Martinez
Foundation

EIN: 74-3005930

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Accounting fees	13,200	13,200		0

TY 2016 Investments Corporate Bonds Schedule

Name: The Guadalupe and Lilia Martinez
Foundation

EIN: 74-3005930

Name of Bond	End of Year Book Value	End of Year Fair Market Value
Lincoln Natl Corp	201,549	211,922
Genworth Financial Inc	247,824	246,250

TY 2016 Investments Corporate Stock Schedule

Name: The Guadalupe and Lilia Martinez
Foundation

EIN: 74-3005930

Name of Stock	End of Year Book Value	End of Year Fair Market Value
Zapata National Bank	1,572,890	1,629,250
Hartford Mutual Fds Floating Rate	1,463,616	1,437,952
Hartford Balanced Income Fd	5,109,963	5,224,540
Ishares U S Preferred Stock	393,278	372,100
Lord Abbett Short Duration Income Fd	1,877,654	1,787,098
Oppenheimer Senior Floating Rate	1,081,363	1,077,389
Capital Income Builder CI	2,436,194	2,376,630
Goldman Sachs Income Builder CL	2,567,348	2,528,047
IShares MSCI USA Min Volatility ETF	1,583,146	1,980,048
Mainstay High Yeild Corp Bond CL	634,337	613,402
Pimco Income CL	3,966,119	3,914,961
Powershares S&P 500 Low Volatility ETF	1,629,599	1,996,256
Principal Preferred Securities Instl CI	1,104,174	1,036,824
DFA U S Core Equity	2,594,355	2,704,961
Hartford Growth Opptys	1,055,739	964,850
Select Income Reit	727,934	682,668
Vanguard Healh Care ETF	250,229	242,131
Pimco Investment Grade Corp Bond	612,426	609,412
Thornburg Ltd Term Income	508,481	511,810

TY 2016 Investments Government Obligations Schedule

Name: The Guadalupe and Lilia Martinez
Foundation

EIN: 74-3005930

**US Government Securities - End
of Year Book Value:**

271,022

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

223,873

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

0

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

0

TY 2016 Investments - Other Schedule

Name: The Guadalupe and Lilia Martinez
Foundation

EIN: 74-3005930

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
CNL Lifestyle Properties, Inc	AT COST	541,088	211,624
Hines Reit	AT COST	53,763	29,326
Cole Credit Property Trust IV	AT COST	1,458,424	1,503,133
Corporate Capital Tr Inc	AT COST	1,000,000	887,170
NorthStar Healthcare	AT COST	931,802	919,192
Inventrust Properties	AT COST	371,898	324,130
Highlands Reit	AT COST	37,161	37,161

TY 2016 Legal Fees Schedule

Name: The Guadalupe and Lilia Martinez
Foundation

EIN: 74-3005930

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Legal fees	450	450		0

TY 2016 Other Assets Schedule

Name: The Guadalupe and Lilia Martinez
Foundation

EIN: 74-3005930

Other Assets Schedule

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
Federal Tax Deposits	58,091	65,055	65,055

TY 2016 Other Decreases Schedule

Name: The Guadalupe and Lilia Martinez
Foundation

EIN: 74-3005930

Description	Amount
Non-deductible expenses	82

TY 2016 Other Expenses Schedule

Name: The Guadalupe and Lilia Martinez
Foundation

EIN: 74-3005930

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Dues and subscriptions	932	932		0
Office expenses	8,114	8,114		0
Ranch expenses	74,917	74,917		0
Education	1,475	1,475		0

TY 2016 Other Income Schedule

Name: The Guadalupe and Lilia Martinez
Foundation

EIN: 74-3005930

Other Income Schedule

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
Royalties	364,016	364,016	364,016
Ord Inc - Zapata Bankshares Inc	16,625	16,625	16,625
Livestock Sales	16,135	16,135	16,135
Water Rights Lease	38,670	38,670	38,670

TY 2016 Other Increases Schedule

Name: The Guadalupe and Lilia Martinez
Foundation

EIN: 74-3005930

Description	Amount
Tax-exempt interest	6,759
Depletion	54,602

TY 2016 Other Professional Fees Schedule

Name: The Guadalupe and Lilia Martinez
Foundation

EIN: 74-3005930

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Investment fees	187,313	187,313		0

TY 2016 Taxes Schedule

Name: The Guadalupe and Lilia Martinez
Foundation

EIN: 74-3005930

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Excise tax	23,036	23,036		0
Payroll tax	25,184	25,184		0
Property tax	31,291	31,291		0
Production tax	19,675	19,675		0