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

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2016

Open to Public Inspection

For calendar year 2016 or tax year beginning , 2016, and ending ,

Herman & Patsy Smith Charitable Foundatn
3700 CHEEK SPARGER RD #180
Bedford, TX 76021-3058

A	Employer identification number 75-2610418
B	Telephone number (see instructions) 817-540-4942
C	If exemption application is pending, check here ▶ <input type="checkbox"/>
D	1 Foreign organizations, check here ▶ <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation ▶ <input type="checkbox"/>
E	If private foundation status was terminated under section 507(b)(1)(A), check here ▶ <input type="checkbox"/>
F	If the foundation is in a 60-month termination under section 507(b)(1)(B), 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

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)
▶ \$ 3,741,438.

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))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
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	2,603.	2,603.	N/A	
4	Dividends and interest from securities	71,367.	71,367.		
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	-143,713.			
b	Gross sales price for all assets on line 6a 2,013,492.				
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				
b	Less Cost of goods sold				
c	Gross profit or (loss) (attach schedule)				
11	Other income (attach schedule) See Statement 1	-22,763.	3,820.		
12	Total. Add lines 1 through 11	-92,506.	77,790.		
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	1,700.	680.		1,020.
c	Other professional fees (attach sch)				
17	Interest				
18	Taxes (attach schedule)(see instrs) See Stmt 3	869.	869.		
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	864.	864.		
24	Total operating and administrative expenses. Add lines 13 through 23	3,433.	2,413.		1,020.
25	Contributions, gifts, grants paid Part XV	199,500.			199,500.
26	Total expenses and disbursements. Add lines 24 and 25	202,933.	2,413.		200,520.
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	-295,439.			
b	Net investment income (if negative, enter -0-)		75,377.		
c	Adjusted net income (if negative, enter -0-)				

SCANNED MAY 18 2017 REVENUE

922 19

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	6,688.	6,688.	6,688.
	2	Savings and temporary cash investments	40,394.	374,302.	374,302.
	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)			
	b	Investments – corporate stock (attach schedule) See Statement 10	4,708,423.	4,079,064.	3,360,448.
	c	Investments – corporate bonds (attach schedule)			
	11	Investments – land, buildings, and equipment: basis			
	Less: accumulated depreciation (attach schedule)				
12	Investments – mortgage loans				
13	Investments – other (attach schedule)				
14	Land, buildings, and equipment basis				
	Less: accumulated depreciation (attach schedule)				
15	Other assets (describe See Statement 5)			1.	
16	Total assets (to be completed by all filers – see the instructions. Also, see page 1, item I).	4,755,505.	4,460,055.	3,741,438.	
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 ASSET BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input type="checkbox"/>				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>				
	27	Capital stock, trust principal, or current funds	4,755,505.	4,460,055.	
	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)	4,755,505.	4,460,055.		
31	Total liabilities and net assets/fund balances (see instructions)	4,755,505.	4,460,055.		

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	4,755,505.
2	Enter amount from Part I, line 27a	2	-295,439.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	4,460,066.
5	Decreases not included in line 2 (itemize) See Statement 6	5	11.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	4,460,055.

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.)
1 a See Statement 7				
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				(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				
b				
c				
d				
e				
2 Capital gain net income or (net capital loss)		<div style="border: 1px solid black; padding: 2px;"> If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 </div>		2 -143,713.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)		<div style="border: 1px solid black; padding: 2px;"> If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8 </div>		3 N/A

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2015	236,413.	3,944,954.	0.059928
2014	236,990.	4,871,472.	0.048649
2013	240,600.	4,761,540.	0.050530
2012	226,634.	4,902,073.	0.046232
2011	218,949.	5,061,343.	0.043259
2 Total of line 1, column (d)			2 0.248598
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 0.049720
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5			4 3,481,188.
5 Multiply line 4 by line 3			5 173,085.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 754.
7 Add lines 5 and 6			7 173,839.
8 Enter qualifying distributions from Part XII, line 4			8 200,520.

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 <input type="checkbox"/> 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 <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	754.
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	754.
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	754.
6 Credits/Payments			
a 2016 estimated tax pmts and 2015 overpayment credited to 2016	6 a	10,232.	
b Exempt foreign organizations – tax withheld at source	6 b		
c Tax paid with application for extension of time to file (Form 8868)	6 c		
d Backup withholding erroneously withheld	6 d		
7 Total credits and payments. Add lines 6a through 6d	7	10,232.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		0.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		9,478.
11 Enter the amount of line 10 to be Credited to 2017 estimated tax	11	9,478.	Refunded 0.

Part VII-A Statements Regarding Activities

	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?		X
1 b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the 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>		X
1 c Did the foundation file Form 1120-POL for this year?		X
1 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.		
1 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>		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? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
4 b If 'Yes,' has it filed a tax return on Form 990-T for this year?		N/A
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>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, col. (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) <u>TX</u>		
8 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 <i>General Instruction G</i> ? <i>If 'No,' attach explanation</i>	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 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>		X

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)	Yes	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)		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>N/A</u>	X	
14	The books are in care of <u>Madelyn Ivey</u> Telephone no. <u>817-540-4942</u> Located at <u>3700 CHEEK SPARGER RD STE 180 BEDFORD TX</u> ZIP + 4 <u>76021-3058</u>		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	N/A	
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 the instructions for exceptions and filing requirements for FinCEN Form 114. If 'Yes,' enter the name of the foreign country		X

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

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

	Yes	No
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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here		N/A
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?		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 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 <u>20__ , 20__ , 20__ , 20__</u>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement - see instructions)		N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. <u>20__ , 20__ , 20__ , 20__</u>		
3 a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b If 'Yes,' did it have excess business holdings in 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.)		N/A
4 a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		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 2016?		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)? 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) N/A

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? Yes No

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? 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	(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
PATSY R. SMITH 3700 CHEEK SPARGER RD STE 180 BEDFORD, TX 76021-3058	Director/P/T 1.00	0.	0.	0.
MADELYN B. IVEY 3700 CHEEK SPARGER RD STE 180 BEDFORD, TX 76021-3058	Director/VP/ 2.00	0.	0.	0.
LINDA L. HAMILTON 3700 CHEEK SPARGER RD STE 180 BEDFORD, TX 76021-3058	Director 1.00	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 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	1 a	3,110,212.
b Average of monthly cash balances	1 b	423,989.
c Fair market value of all other assets (see instructions)	1 c	
d Total (add lines 1a, b, and c)	1 d	3,534,201.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1 e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	3,534,201.
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	53,013.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	3,481,188.
6 Minimum investment return. Enter 5% of line 5	6	174,059.

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	174,059.
2 a Tax on investment income for 2016 from Part VI, line 5	2 a	754.
b Income tax for 2016 (This does not include the tax from Part VI)	2 b	
c Add lines 2a and 2b	2 c	754.
3 Distributable amount before adjustments Subtract line 2c from line 1	3	173,305.
4 Recoveries of amounts treated as qualifying distributions	4	
5 Add lines 3 and 4	5	173,305.
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	173,305.

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	1 a	200,520.
b Program-related investments — total from Part IX-B	1 b	
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)	3 a	
b Cash distribution test (attach the required schedule)	3 b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	200,520.
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	754.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	199,766.

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				173,305.
2 Undistributed income, if any, as of the end of 2016:				
a Enter amount for 2015 only			194,382.	
b Total for prior years: 20 __, 20 __, 20 __		0.		
3 Excess distributions carryover, if any, to 2016:				
a From 2011				
b From 2012				
c From 2013				
d From 2014				
e From 2015				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ \$ 200,520.				
a Applied to 2015, but not more than line 2a			194,382.	
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				6,138.
e Remaining amount distributed out of corpus	0.			
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	0.			
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				167,167.
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	0.			
10 Analysis of line 9:				
a Excess from 2012				
b Excess from 2013				
c Excess from 2014				
d Excess from 2015				
e Excess from 2016				

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 2016, 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)

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

	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 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).)

PATSY R. SMITH

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

None

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

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

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

See Statement 8

b The form in which applications should be submitted and information and materials they should include.

See Statement for Line 2a

c Any submission deadlines:

See Statement for Line 2a

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

See Statement for Line 2a

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)				
<p>a Paid during the year See Statement 9</p>				
Total			▶ 3a	199,500.
b Approved for future payment				
Total			▶ 3b	

Herman & Patsy Smith Charitable Foundatn

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

	(a) Revenue per Books	(b) Net Investment Income	(c) Adjusted Net Income
Other Investment Income			
Total	\$ -22,763.	\$ 3,820.	\$ 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
TAX PREPARATION				
Total	\$ 1,700.	\$ 680.		\$ 1,020.

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

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
FOREIGN TAX WITHHELD ON DIVIDENDS	\$ 723.	\$ 723.		
SEVERANCE TAX WITHHELD ON ROYALTIES	146.	146.		
Total	\$ 869.	\$ 869.		\$ 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
ADMIN EXP ON ROYALTIES	\$ 309.	\$ 309.		
CVR K-1 CASH CONTRIBUTIONS	3.	3.		
CVR K-1 SECT 1231 LOSS	9.	9.		
EPD K-1 SECT 1231 LOSS	42.	42.		
WHITING TRUST EXPENSES	501.	501.		
Total	\$ 864.	\$ 864.		\$ 0.

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Statement 5
Form 990-PF, Part II, Line 15
Other Assets

	<u>Book Value</u>	<u>Fair Market Value</u>
Rounding	\$ 1.	
Total	<u>\$ 1.</u>	<u>\$ 0.</u>

Statement 6
Form 990-PF, Part III, Line 5
Other Decreases

SCH K-1 NONDUCTIBLE EXPENSES	\$ 11.
Total	<u>\$ 11.</u>

Statement 7
Form 990-PF, Part IV, Line 1
Capital Gains and Losses for Tax on Investment Income

<u>Item</u>	<u>(a) Description</u>	<u>(b) How Acquired</u>	<u>(c) Date Acquired</u>	<u>(d) Date Sold</u>
1	PASSTHRU K-1 MAGELLAN MIDSTREAM PARTNERS	Purchased		
2	1400 AAPL	Purchased	5/15/2013	3/21/2016
3	700 AAPL	Purchased	9/11/2013	3/21/2016
4	1400 AAPL	Purchased	9/18/2013	3/21/2016
5	500 AAPL	Purchased	9/23/2013	3/21/2016
6	2500 EXC	Purchased	2/07/2012	3/28/2016
7	2500 EXC	Purchased	3/05/2012	3/28/2016
8	500 EXC	Purchased	9/11/2012	3/28/2016
9	550 EXC	Purchased	10/11/2012	3/28/2016
10	50 EXC	Purchased	3/11/2013	3/28/2016
11	900 EXC	Purchased	10/02/2013	3/28/2016
12	500 EXC	Purchased	10/30/2013	3/28/2016
13	1500 EXXI	Purchased	1/26/2012	4/14/2016
14	300 EXXI	Purchased	2/01/2012	4/14/2016
15	200 EXXI	Purchased	2/03/2012	4/14/2016
16	500 EXXI	Purchased	7/17/2012	4/14/2016
17	250 EXXI	Purchased	4/22/2013	4/14/2016
18	600 EXXI	Purchased	5/22/2013	4/14/2016
19	1650 EXXI	Purchased	5/05/2014	4/14/2016
20	5000 EXXI	Purchased	5/20/2014	4/14/2016
21	12500 TPLM	Purchased	12/30/2013	4/14/2016
22	12500 TPLM	Purchased	1/07/2014	4/14/2016
23	5000 TPLM	Purchased	4/17/2014	4/14/2016
24	1500 BCEI	Purchased	5/12/2014	5/24/2016
25	150 BCEI	Purchased	7/10/2014	5/24/2016
26	300 AMGN	Purchased	2/17/2015	6/27/2016
27	150 AMGN	Purchased	2/23/2015	6/27/2016
28	50 AMGN	Purchased	4/27/2015	6/27/2016
29	1000 EMR	Purchased	11/17/2015	6/27/2016
30	1500 MSFT	Purchased	3/18/2014	6/27/2016
31	1500 MSFT	Purchased	5/05/2014	6/27/2016
32	300 MSFT	Purchased	9/26/2014	7/11/2016
33	700 MSFT	Purchased	4/28/2016	7/11/2016

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Statement 7 (continued)
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
34	1000 UNH	Purchased	10/18/2013	7/18/2016
35	900 AAPL	Purchased	9/23/2013	7/25/2016
36	300 AAPL	Purchased	6/24/2015	7/25/2016
37	500 DRI	Purchased	7/11/2014	8/15/2016
38	166 FCPT	Purchased	11/10/2015	8/15/2016
39	60 FCPT	Purchased	3/02/2016	8/15/2016
40	700 NEE	Purchased	9/09/2015	8/15/2016
41	50 T	Purchased	11/05/2012	8/30/2016
42	2250 T	Purchased	6/06/2013	8/30/2016
43	700 T	Purchased	8/06/2014	8/30/2016
44	cash in lieu-frx shs HK	Purchased	8/28/2014	9/13/2016
45	1250 SRAQU	Purchased	6/07/2016	9/30/2016
46	3000 MAT	Purchased	8/23/2016	12/06/2016
47	2000 CCL	Purchased	8/03/2016	12/19/2016
48	1750 CDEV	Purchased	6/07/2016	12/30/2016
49	200 HFC	Purchased	7/20/2016	12/30/2016
50	2300 HFC	Purchased	7/22/2016	12/30/2016
51	1250 NFX	Purchased	7/26/2013	12/30/2016
52	1250 PE	Purchased	6/24/2014	12/30/2016
53	300 UNP	Purchased	4/24/2014	12/30/2016
54	300 UNP	Purchased	4/25/2014	12/30/2016

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	0.		3.	-3.				\$ -3.
2	143,407.		84,519.	58,888.				58,888.
3	71,705.		46,545.	25,160.				25,160.
4	143,410.		92,796.	50,614.				50,614.
5	51,218.		34,784.	16,434.				16,434.
6	88,730.		99,008.	-10,278.				-10,278.
7	88,730.		97,008.	-8,278.				-8,278.
8	17,746.		17,798.	-52.				-52.
9	19,521.		19,908.	-387.				-387.
10	1,775.		1,614.	161.				161.
11	31,943.		26,538.	5,405.				5,405.
12	17,746.		14,118.	3,628.				3,628.
13	299.		49,733.	-49,434.				-49,434.
14	60.		10,097.	-10,037.				-10,037.
15	40.		7,145.	-7,105.				-7,105.
16	100.		14,943.	-14,843.				-14,843.
17	50.		5,395.	-5,345.				-5,345.
18	120.		14,942.	-14,822.				-14,822.
19	329.		37,677.	-37,348.				-37,348.
20	996.		103,908.	-102,912.				-102,912.
21	6,297.		105,320.	-99,023.				-99,023.
22	6,297.		98,008.	-91,711.				-91,711.
23	2,519.		46,197.	-43,678.				-43,678.
24	3,455.		62,388.	-58,933.				-58,933.
25	345.		8,873.	-8,528.				-8,528.
26	43,326.		46,239.	-2,913.				-2,913.
27	21,663.		23,721.	-2,058.				-2,058.
28	7,221.		8,377.	-1,156.				-1,156.
29	50,081.		48,711.	1,370.				1,370.
30	73,599.		59,409.	14,190.				14,190.

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Statement 7 (continued)
Form 990-PF, Part IV, Line 1
Capital Gains and Losses for Tax on Investment Income

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)
31	73,599.		59,078.	14,521.				\$ 14,521.
32	15,790.		13,839.	1,951.				1,951.
33	36,844.		35,050.	1,794.				1,794.
34	140,076.		68,535.	71,541.				71,541.
35	88,777.		62,610.	26,167.				26,167.
36	29,592.		38,777.	-9,185.				-9,185.
37	31,277.		22,202.	9,075.				9,075.
38	3,610.		0.	3,610.				3,610.
39	1,305.		947.	358.				358.
40	88,606.		67,704.	20,902.				20,902.
41	2,042.		1,732.	310.				310.
42	91,882.		79,583.	12,299.				12,299.
43	28,586.		24,168.	4,418.				4,418.
44	6.		0.	6.				6.
45	22,196.		12,852.	9,344.				9,344.
46	88,360.		99,657.	-11,297.				-11,297.
47	102,892.		91,941.	10,951.				10,951.
48	34,377.		17,993.	16,384.				16,384.
49	6,628.		4,784.	1,844.				1,844.
50	76,223.		54,932.	21,291.				21,291.
51	51,435.		30,641.	20,794.				20,794.
52	44,095.		27,654.	16,441.				16,441.
53	31,283.		28,640.	2,643.				2,643.
54	31,283.		28,164.	3,119.				3,119.
								Total <u>\$-143,713.</u>

Statement 8
Form 990-PF, Part XV, Line 2a-d
Application Submission Information

Name of Grant Program:
Name: PATSY R. SMITH
Care Of:
Street Address: 3700 CHEEK SPARGER RD STE 180
City, State, Zip Code: BEDFORD, TX 76021-3058
Telephone:
E-Mail Address:
Form and Content: APPLICATION PACKET AVAILABLE UPON REQUEST
Submission Deadlines: JUNE 1 OR NOVEMBER 1
Restrictions on Awards: EXEMPT ORGANIZATIONS UNDER IRC SECT. 501(C)3 ONLY

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Statement 9
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Found- ation Status	Purpose of Grant	Amount
BAYLOR UNIVERSITY P. O. BOX 97026 WACO TX 76798		PC	SCHOLARSHIP	\$ 5,000.
DALLAS BAPTIST UNIVERSITY 3000 MOUNTAIN CREEK PARKWAY DALLAS TX 75211		PC	RESIDENTIAL HOUSING	100,000.
HOME BUILDERS INSTITUTE 1201 15TH STREET N.W. WASHINGTON, D.C. 20 DC 20005		PC	CONSTRUCTION TRADES TRAINING	10,000.
WOODLAND HEIGHT BAPTIST CHURCH 3712 CENTRAL DRIVE BEDFORD TX 76021		PC	WALKWAY/CONCRETE BEAUTIFICATON	4,000.
TEXAS BAPTIST MEN 5351 CATRON DALLAS TX 75227		PC	DISASTER RELIEF/MISSIONS	5,000.
DALLAS BAPTIST UNIVERSITY 3000 MOUNTAIN CREEK PARKWAY DALLAS TX 75211		PC	CHAIR OF PRAYER	5,000.
AMERICAN BIBLE SOCIETY NEW YORK NY 10023		PC	BIBLES FOR ARMED SERVICES	1,000.
AMERICAN HEART ASSOCIATION P O BOX 7851 PHOENIX AZ 85062		PC	REDUCTION OF HEART DISEASE/STROKE	500.
WOODLAND HEIGHTS BAPTIST CHURCH 3712 CENTRAL DRIVE BEDFORD TX 76021		PC	ANNIE ARMSTRONG MISSIONS	4,500.
WOODLAND HEIGHTS BAPTIST CHURCH 3712 CENTRAL DRIVE BEDFORD TX 76021		PC	STAFF GIFTS	1,000.
DENISON FORUM ON TRUTH AND CULTURE 17304 PRESTON RD, SUITE 1060 DALLAS TX 75252		PC	ONLINE MINISTRY	1,000.
HAWAII BAPTIST ACADEMY 420 WYLLIE STREET HONOLULU HI 96817		PC	EDUCATION	2,000.

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Statement 9 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

<u>Name and Address</u>	<u>Donee Relationship</u>	<u>Found- ation Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
EAST TEXAS BAPTIST UNIVERSITY ONE TIGER DRIVE MARSHALL TX 75670		PC	EDUCATION	\$ 25,000.
RICHLAND HILLS BAPTIST CHURCH 6852 BAKER BLVD RICHLAND HILLS TX 76118		PC	MEMORIAL-R.G.ELL IOTT	200.
WOODLAND HEIGHTS BAPTIST CHURCH 3712 CENTRAL DRIVE BEDFORD TX 76021		PC	DBU MATCHING SCHOLARSHIP	20,000.
TEXAS BUILDERS FOUNDATION 313 EAST 12TH ST, SUITE 210 AUSTIN TX 78701		PC	SCHOLARSHIP ENDOWMENT	10,000.
METROPORT MEALS ON WHEELS P O BOX 204 ROANOKE TX 76262		PC	PROVIDE MEALS	300.
SPAULDING FOR CHILDREN 6925 PORTWEST DRIVE, SUITE 110 HOUSTON TX 77024		PC	CHILD SERVICES	5,000.
Total \$				<u>199,500.</u>

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STATEMENT 10
Form 990-PF, Part II, Line 10b
Investments - Corporate Stock

Stock Name	# Shares	Book Value	FMV
Abbott Laboratories	1,000	37,588	38,410
Abbvie Inc	2,000	121,308	125,240
Allianz Se ADR	2,500	34,157	41,400
Alphabet Inc	100	59,628	79,245
Amgen Inc	100	16,753	14,621
Antero Resources Corp	1,000	54,888	23,650
Apple Inc	1,250	139,084	144,775
Aqua America Inc	4,000	100,328	120,160
Bank of America	5,000	80,330	110,500
Boeing Co	500	65,949	77,840
Centennial Res Dev Inc Wts Exp 2/23/21	1,250		10,553
Centennial Resource Dev Inc Cl A	2,000	20,563	39,440
Cisco Systems Inc	1,500	45,992	45,330
Citigroup Inc	500	23,355	29,715
ConocoPhillips	3,000	173,594	150,420
Cummins Inc	500	52,633	68,335
EOG Resources, Inc.	1,000	74,920	101,100
Freeport McMoran Copper & Gold	2,550	85,665	33,635
General Motors Co.	5,000	152,588	174,200
Halcon Res Corp	235	237,352	2,195
Hormel Foods Corp	1,000	34,108	34,810
Intl Business Mach	600	108,136	99,594
Johnson & Johnson	700	72,598	80,647
Kinder Morgan Inc Delaware	4,500	168,241	93,195
Lockheed Martin Corp.	250	63,977	62,485
Mastercard Inc	250	19,374	25,813
Newfield Exploration Co	1,250	30,641	50,625
Northern Oil & Gas	30,000	291,752	82,500
Oasis Petroleum Inc	3,300	135,832	49,962
Occidental Petroleum Corp	1,250	84,795	89,038
Oceaneering Intl Inc	1,000	72,566	28,210
Parsley Energy Inc	1,250	25,175	44,050
Potash Corp	2,950	122,830	53,366
Proshares Tr Ultrapro Short	7,500	152,708	153,075
Qualcomm Inc	1,750	114,010	114,100
Reynolds American Inc	1,000	50,255	56,040
UnitedHealth Group	1,000	68,202	160,040
Verizon Communications	1,850	91,767	98,753
Wells Fargo & Co.	1,250	59,664	68,888
WPX Energy Inc	8,800	155,986	128,216
CVR Partners LP	7,500	53,676	45,075
Enterprise Products Pptns LP	4,000	100,709	108,160
Magellan Midstream Partners LP	1,500	100,886	113,445
Permian Basin Royalty Tr	10,000	111,763	77,100
Whiting USA Tr II Tr Unit	12,500	212,738	12,497
	141,935	4,079,064	3,360,448

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Other Income Producing Activities
Interest on savings & cash investments

NATIONAL FINANCIAL SERVICES LLC	\$	2,582.
PASSTHROUGH FROM CVR PARTNERS LP		12.
PASSTHROUGH FROM ENTERPRISE PRODUCT PARTNERS LP		7.
PASSTHROUGH FROM MAGELLAN MIDSTREAM PARTNERS LP		2.
Total	\$	<u>2,603.</u>

Other Income Producing Activities
Dividends/interest from securities.

NATIONAL FINANCIAL SERVICES LLC	\$	72,181.
NATIONAL FINANCIAL SERVICES LLC-WHZ PRINCIPAL PMTS		-815.
PASSTHROUGH FROM MAGELLAN MIDSTREAM PARTNERS LP		1.
Total	\$	<u>71,367.</u>

Other Income Producing Activities
Other investment income [O]

PASSTHRU FROM K-1'S	\$	3.
PERMIAN BASIN ROYALTY TRUST		3,752.
CREDIT ADJMT - QUALIFIED DIVIDENDS		65.
Total	\$	<u>3,820.</u>

Net Investment Income / Adj. Net Income
Other investment income

PERMIAN BASIN ROYALTY TRUST PMT	\$	3,752.
PASSTHRU OTHER NET RENTAL INC FROM CVR PARTNERS LP K-1		3.
CREDIT ADJMT - QUALIFIED DIVIDENDS		65.
Total	\$	<u>3,820.</u>

Balance Sheet
Corporate stock (Form 990-PF)[O]

SEE STATEMENT #10		
Total	\$	<u>4,079,064.</u>

FMV of Assets (990-PF)
Corporate stock [O]

SEE STATEMENT #10		
Total	\$	<u>3,360,448.</u>