



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



Form **990-PF****Return of Private Foundation**
or Section 4947(a)(1) Trust Treated as Private Foundation

OMB No 1545-0052

2016Department of the Treasury
Internal Revenue Service

► Do not enter social security numbers on this form as it may be made public.
► Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

Open to Public Inspection

For calendar year 2016 or tax year beginning

, and ending

Name of foundation THE MASTERS FOUNDATION, INC.		A Employer identification number 75-2883327
Number and street (or P O box number if mail is not delivered to street address) 4 SAVANNAH CIRCLE	Room/suite	B Telephone number (see instructions) 214-472-5000
City or town, state or province, country, and ZIP or foreign postal code FRISCO TX 75034		C If exemption application is pending, check here ☐
G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ 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) ► \$ 1,417,659	J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify)	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)	465,926			
	2 Check ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	90,932	90,932	90,932	
	4 Dividends and interest from securities				
	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)		0		
	8 Net short-term capital gain			0	
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule) Stmt 1	-25,702		-25,702		
12 Total. Add lines 1 through 11	531,156	90,932	65,230		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0			
	14 Other employee salaries and wages	3,300			3,300
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule) Stmt 2	1,121			
	17 Interest				
	18 Taxes (attach schedule) (see instructions) Stmt 3	599			
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings	38,383			38,384
	22 Printing and publications	25,530			25,530
	23 Other expenses (att. sch.) Stmt 4	32,202			28,251
	24 Total operating and administrative expenses. Add lines 13 through 23	101,135	0	0	95,465
	25 Contributions, gifts, grants paid	473,362			473,362
26 Total expenses and disbursements. Add lines 24 and 25	574,497	0	0	568,827	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	-43,341				
b Net investment income (if negative, enter -0-)		90,932			
c Adjusted net income (if negative, enter -0-)			65,230		

For Paperwork Reduction Act Notice, see instructions.

Form **990-PF** (2016)

DAA

621

9

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			1,140,456	761,074	761,074
	2 Savings and temporary cash investments			224,873	225,661	225,661
	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 (att. schedule) ▶ Less: allowance for doubtful accounts ▶	0				
	8 Inventories for sale or use					
	9 Prepaid expenses and deferred charges			3,201		
	10a Investments – U S and state government obligations (attach schedule)					
	b Investments – corporate stock (attach schedule)					
	c Investments – corporate bonds (attach schedule)					
	11 Investments – land, buildings, and equipment basis ▶ Less: accumulated depreciation (attach sch.) ▶					
	12 Investments – mortgage loans					
	13 Investments – other (attach schedule)					
	14 Land, buildings, and equipment basis ▶ Less: accumulated depreciation (attach sch.) ▶	806,824		441,824	806,824	
15 Other assets (describe ▶ See Statement 6)			430,924	405,222	430,924	
16 Total assets (to be completed by all filers – see the instructions. Also, see page 1, item I)			2,241,278	2,198,781	1,417,659	
Liabilities	17 Accounts payable and accrued expenses				844	
	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	844	
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					
	28 Paid-in or capital surplus, or land, bldg., and equipment fund					
	29 Retained earnings, accumulated income, endowment, or other funds			2,241,278	2,197,937	
	30 Total net assets or fund balances (see instructions)			2,241,278	2,197,937	
31 Total liabilities and net assets/fund balances (see instructions)			2,241,278	2,198,781		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year – Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	2,241,278
2 Enter amount from Part I, line 27a	2	-43,341
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	2,197,937
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	2,197,937

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 N/A				
b				
c				
d				
e				

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

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

(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2
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	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 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	407,971	1,204,373	0.338741
2014	722,163	325,960	2.215496
2013	1,271,936	239,773	5.304751
2012	839,982	180,220	4.660870
2011	563,158	180,220	3.124836

2 Total of line 1, column (d)	2	15.644694
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	3.128939
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	1,297,961
5 Multiply line 4 by line 3	5	4,061,241
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	909
7 Add lines 5 and 6	7	4,062,150
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	933,827

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	1,819
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	1,819
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	1,819
6 Credits/Payments		
a 2016 estimated tax payments and 2015 overpayment credited to 2016	6a	
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	
8 Enter any penalty for underpayment of estimated tax. Check here ☒ if Form 2220 is attached	8	16
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	1,835
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11 Enter the amount of line 10 to be Credited to 2017 estimated tax ☐ Refunded ☐	11	

Part VII-A Statements Regarding Activities

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

Part VII-A Statements Regarding Activities (continued)

	Yes	No
11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11	X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12	X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► WWW.GRACEBRIDGE.US & WWW.MASTERCARES.ORG	13	X
14 The books are in care of ► CAROL LOPER / CARTER MORRIS 4 SAVANNAH CIRCLE Located at ► FRISCO TX ZIP+4 ► 75034 Telephone no ► 214-472-5000		
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 – Check here and enter the amount of tax-exempt interest received or accrued during the year	15	
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 ►	16	X

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ 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	N/A	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?	N/A	1c
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	☐ Yes ☒ 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.)		2b X
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.)	N/A	3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?		4b X

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

5a	During the year did the foundation pay or incur any amount to			
(1)	Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	☐ Yes	☒ No	
(2)	Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	☐ Yes	☒ No	
(3)	Provide a grant to an individual for travel, study, or other similar purposes?	☒ Yes	☐ No	
(4)	Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions)	☐ Yes	☒ No	
(5)	Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	☐ Yes	☒ No	
b	If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here			5b ☒
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? If "Yes," attach the statement required by Regulations section 53.4945–5(d)	N/A ☐ Yes	☐ No	
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes	☒ No	
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870			6b ☒
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes	☒ No	
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?		N/A	7b

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (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
CHARLES LOPER JR	FRISCO	CHAIRMAN			
4 SAVANNAH CIRCLE	TX 75034	0.00	0	0	0
CAROL LOPER	FRISCO	BOARD MEMBER			
4 SAVANNAH CIRCLE	TX 75034	0.00	0	0	0
CHARLES LOPER III	FRISCO	CO-CHAIRMAN			
6 STONEBRIAR WAY	TX 75034	0.00	0	0	0
JAMES BRADSHAW	FRISCO	CO-CHAIRMAN			
9300 WADE BLVD STE 100	TX 75035	0.00	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 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		

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 See Statement 7	
	406,158
2 See Statement 8	
	56,904
3 See Statement 9	
	5,000
4 See Statement 10	
	4,000

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 PROPERTY FOR RESALE OPERATION OF DONATED GOODS	
	250,000
2 PROPERTY FOR FOOD BANK	
	115,000
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3	365,000

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	0
b	Average of monthly cash balances	1b	886,803
c	Fair market value of all other assets (see instructions)	1c	430,924
d	Total (add lines 1a, b, and c)	1d	1,317,727
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	1,317,727
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	19,766
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,297,961
6	Minimum investment return. Enter 5% of line 5	6	64,898

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	64,898
2a	Tax on investment income for 2016 from Part VI, line 5	2a	1,819
b	Income tax for 2016 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,819
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	63,079
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	63,079
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	63,079

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	568,827
b	Program-related investments – total from Part IX-B	1b	365,000
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	933,827
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	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	933,827

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				63,079
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only				
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2016				
a From 2011	253,532			
b From 2012	524,893			
c From 2013	1,259,963			
d From 2014	706,385			
e From 2015	348,288			
f Total of lines 3a through e	3,093,061			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ \$ 933,827				
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				63,079
e Remaining amount distributed out of corpus	870,748			
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:	3,963,809			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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				
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)				
8 Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions)	253,532			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	3,710,277			
10 Analysis of line 9				
a Excess from 2012	524,893			
b Excess from 2013	1,259,963			
c Excess from 2014	706,385			
d Excess from 2015	348,288			
e Excess from 2016	870,748			

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 foundation 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

[illegible]

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))

CHARLES LOPER JR

\$465,926

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

N/A

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

CHARLES LOPER JR 214-472-5000

4 SAVANNAH CIRCLE FRISCO TX 75034

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

See Statement 11

c Any submission deadlines

NO SPECIFIC DEADLINE

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

N/A

N/A

Part VII **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 Paid during the year SEE ATTACHED STATEMENT IMMEDIATELY BEHIND THIS PAGE				473,362
Total			▶ 3a	473,362
b Approved for future payment N/A				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1	Program service revenue					
a						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments			14	90,932	
4	Dividends and interest from securities					
5	Net rental income or (loss) from real estate					
a	Debt-financed property					
b	Not debt-financed property					
6	Net rental income or (loss) from personal property					
7	Other investment income					
8	Gain or (loss) from sales of assets other than inventory					
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue: a					
b	ABERDEEN JOINT VENTURE			1	-21,900	
c	JP-MAC HOLDINGS LLC			1	4,231	
d	KEP CEDAR SPRINGS			1	-5,637	
e	TCH Principal Solar, LP			1	-2,396	
12	Subtotal. Add columns (b), (d), and (e)		0		65,230	0
13	Total. Add line 12, columns (b), (d), and (e)				13	65,230

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

THE MASTER'S FOUNDATION
75-2883327
STATEMENT ATTACHED TO AND MADE PART OF
2016 FORM 990PF

Part XV, Line 3a

Name & Address	Purpose of Contribution	Amount
Master Cares (A Ministry of the Master's Foundation, Rakai, Uganda)	Please see Master Cares Rakai, Uganda Statement behind this statement.	\$ 406,158
Prestonwood Christian Academy 6801 W Park Boulevard, Plano, TX 75093	Christian School Donation to offset costs for children who would otherwise be unable to attend	\$ 56,904
Grace Bridge Food Bank 319 Walnut St, Celina, TX 75009	The Grace Bridge Food Bank supplies food and non foodstuffs, including clothing, school supplies, household items, eyeglasses, etc., to those in need in and around Celina, Texas	\$ 5,000
Grants to Interns	Grants paid to support missionaries.	\$ 4,000
Barry Wood Ministries 850 Nightwind Ct. Prosper, TX 75078	Administers mission trips, establishes churches, and provides education with HIV-Aids primarily in Africa and Latin America.	\$ 1,300
Total Contribution, Gifts, Grants Paid		\$ 473,362

THE MASTERS FOUNDATION (75-2883327)
STATEMENT ATTACHED TO AND MADE PART OF 2016
FORM 990PF
PART XV, LINE 3a

THE MASTER CARES, RAKAI, UGANDA IS A MASTER'S FOUNDATION MINISTRY (CBO/NGO IN UGANDA, AFRICA)

The Master Cares Ministry supports the people in and around the village of Rakai, Uganda in many ways including education, discipleship/spiritual development, micro-finance loans, job creation and sanitation and water wells.

The ministry has supported the Nambarizi School in Uganda, which by providing education to the children provides them a greater opportunity to grow and thrive as they reach adulthood. To do more in this area the Masters Foundation purchased a school in 2013 and made the Mater Cares Christian School ready for its February 2014 opening (it opened with over 80 students).

Our Director of Spiritual Development works with area Pastors and their churches to become more familiar with the word of God through one-to-one discipleship and by designing and facilitating small group Bible studies. The aim of the spiritual development ministry is to equip all believers with effective tools to spread the gospel of Christ and to improve the spiritual quality of life for the people in and around Rakai, Uganda.

The ministry's aim is to provide long-term self-sustaining improvement in the lives of those to which we minister. In addition to assisting people with their immediate needs we provide them with vocational training so they will be able to support their families for decades to come. We train them in areas of agriculture, brick-making, construction and facilities management. For those with an entrepreneurial desire, we also train them how to start their own businesses.

Creating jobs is not more important than the spiritual aspect of our ministry, but it enables us to provide lasting change to these people and provides freedom to entrepreneurs so God can freely lead them in His perfect will.

The sanitation in and around the Rakai, Uganda area is extraordinarily bad. Much of this is due to the lack of education and the lack of drinkable water. Children spend a large part of their day seeking out water from any source possible, including water shared with cattle and other animals. Education is a large part of the solution to improve sanitation in this area, thereby decreasing disease, sickness and death. We believe that our education efforts will improve the quality of life for the people in this area and help ameliorate the problems occurring because people do not understand the relationship between sanitation and disease.

Also, to assist with the problem of safe drinking water we have constructed and continue to construct deep-water wells in the communities in and around Rakai, Uganda.

Federal Statements

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

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
ABERDEEN JOINT VENTURE	\$ -21,900	\$	\$ -21,900
JP-MAC HOLDINGS LLC	4,231		4,231
KEP CEDAR SPRINGS	-5,637		-5,637
TCH Principal Solar, LP	-2,396		-2,396
Total	\$ -25,702	\$ 0	\$ -25,702

Statement 2 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
PROFESSIONAL FEES	\$ 1,121	\$	\$	\$
Total	\$ 1,121	\$ 0	\$ 0	\$ 0

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
TAXES	\$ 599	\$	\$	\$
Total	\$ 599	\$ 0	\$ 0	\$ 0

Federal Statements

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Expenses				
BANK/CREDIT CARD FEES	906			906
FUNDRAISING EXPENSES	23,140			23,140
OFFICE EXPENSE	3,556			
REPAIRS & MAINTENANCE	25			
DUES & MEMBERSHIPS	370			
MISSION TRIP SUPPLIES	4,205			4,205
Total	\$ 32,202	\$ 0	\$ 0	\$ 28,251

Statement 5 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
RAKAI & BETHLEHEM UGANDA	\$ 193,459	\$ 193,459	\$	
SCHOOL BLDG IN RAKAI UGANDA	160,000	160,000		
LAND FOR OFFICES FOR MASTER CARES				
PROJECT IN RAKAI & BETHLEHEM UGANDA	48,365	48,365		
LAND FOR SCHOOL IN RAKAI UGANDA	40,000	40,000		
LAND FOR PROJECT IN CELINA		115,000		
LAND FOR PROJECT IN FRISCO		250,000		
Total	\$ 441,824	\$ 806,824	\$ 0	\$ 0

Statement 6 - Form 990-PF, Part II, Line 15 - Other Assets

Description	Beginning of Year	End of Year	Fair Market Value
INVESTMENTS IN PARTNERSHIPS	\$ 288,697	\$ 262,995	\$ 388,697
INVESTMENTS IN OIL & GAS	142,227	142,227	42,227
Total	<u>\$ 430,924</u>	<u>\$ 405,222</u>	<u>\$ 430,924</u>

Statement 7 - Form 990-PF, Part IX-A, Line 1 - Summary of Direct Charitable Activities**Description**

THE MASTER CARES, RAKAI, UGANDA IS A MASTER'S FOUNDATION MINISTRY (CBO/NGO IN UGANDA, AFRICA)

The Master Cares Ministry supports the people in and around the village of Rakai, Uganda in many ways including education, discipleship/spiritual development, micro-finance loans, job creation and sanitation and water wells.

The ministry has supported the Nambarizi School in Uganda, which by providing education to the children provides them a greater opportunity to grow and thrive as they reach adulthood. To do more in this area the Masters Foundation purchased a school and made the Master Cares Christian School.

The sanitation in and around the Rakai, Uganda area is extraordinarily bad. Much of this is due to the lack of education and the lack of drinkable water. Children spend a large part of their day seeking out water from any source possible, including water shared with cattle and other animals. Education is a large part of the solution to improve sanitation in this area, thereby decreasing disease, sickness and death. We believe that our education efforts will improve the quality of life for the people in this area and help ameliorate the problems occurring because people do not understand the relationship between sanitation and disease.

Also, to assist with the problem of safe drinking water we have constructed and continue to construct deep-water wells in the communities in and around Rakai, Uganda.

Statement 8 - Form 990-PF, Part IX-A, Line 2 - Summary of Direct Charitable Activities**Description****THE MASTER CARES FOUNDATION**

The Master Cares Foundation seeks to provide the basic necessities of life for those in need in and around Celina, Texas. Grace Bridge is strategically focused on caring for the whole person through efforts that include food assistance, eye care, clothing provisions, and Spiritual Development. Whether through a box of food, an article of clothing or a simple conversation, the ministry strives to build relationships that will lead people to transforming encounters with Christ.

Statement 9 - Form 990-PF, Part IX-A, Line 3 - Summary of Direct Charitable Activities**Description****PRESTONWOOD CHRISTIAN ACADEMY**

Prestonwood Sponsor A Child program is designed specifically to assist families with financial needs for tuition assistance.

Statement 10 - Form 990-PF, Part IX-A, Line 4 - Summary of Direct Charitable Activities**Description****ENGAGE HOPE MINISTRIES**

Engage Hope is a community transformation organization that uses the cultural issue of HIV/AIDS to open doors around the world to share the gospel of Jesus Christ.

Form 990-PF, Part XV, Line 1a - Managers Who Contributed Over 2% or \$5,000

<u>Name of Manager</u>	<u>Amount</u>
CHARLES LOPER JR	\$ 465,926
Total	\$ 465,926

Statement 11 - Form 990-PF, Part XV, Line 2b - Application Format and Required Contents**Description**

Request for funds should include: (1) Legal name of organization, address, contact name, telephone, fax and email address (if available); (2) Background and history of organization; (3) Listing of officers and board of directors; (4) audited financial statements of the organization; (5) Legal form and exemption status; and (6) Details of use for requested funds.

Form 990-PF, Part XV, Line 2c - Submission Deadlines**Description**

NO SPECIFIC DEADLINE