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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 VANDAL & WINIFRED MERCER TEXAS A & M EDUCATIONAL FOUNDATION		A Employer identification number 76-0472391
Number and street (or P O box number if mail is not delivered to street address) FROST BANK, 2201 MARKET, 10 FL		B Telephone number (see instructions) 409-770-7165
City or town, state or province, country, and ZIP or foreign postal code GALVESTON TX 77550		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 1,577,599 (Part I, column (d) must be on cash basis)		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)		

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 <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	538	538	538	
	4 Dividends and interest from securities	20,188	20,188	20,188	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10 STMT 1	55,698			
	b Gross sales price for all assets on line 6a 1,044,817				
	7 Capital gain net income (from Part IV, line 2)		52,209		
	8 Net short-term capital gain			0	
	9 Income modifications SEE STMT 2			87,616	
	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 3	2,995	2,995	2,995		
12 Total. Add lines 1 through 11	79,419	75,930	111,337		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	36,107	10,342	10,342	25,766
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule) STMT 4	1,250	625	625	625
	c Other professional fees (attach schedule) STMT 5	8	8	8	
	17 Interest				
	18 Taxes (attach schedule) (see instructions) STMT 6	1,072	419	419	
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications	59			59
	23 Other expenses (attach schedule) STMT 7	1,188			
	24 Total operating and administrative expenses. Add lines 13 through 23	39,684	11,394	11,394	26,450
	25 Contributions, gifts, grants paid	92,500			92,500
26 Total expenses and disbursements. Add lines 24 and 25	132,184	11,394	11,394	118,950	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	-52,765				
b Net investment income (if negative, enter -0-)		64,536			
c Adjusted net income (if negative, enter -0-)			99,943		

For Paperwork Reduction Act Notice, see instructions.

Form **990-PF** (2016)

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2

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		1,443	1,443
	2	Savings and temporary cash investments	227,580	418,994	418,994
	3	Accounts receivable ▶ 418,685			
		Less allowance for doubtful accounts ▶	14	418,685	418,685
	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) ▶ 0			
		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)			
	c	Investments – corporate bonds (attach schedule)			
	11	Investments – land, buildings, and equipment basis ▶			
Liabilities		Less accumulated depreciation (attach sch) ▶			
	12	Investments – mortgage loans			
	13	Investments – other (attach schedule) SEE STATEMENT 8	1,294,924	719,827	726,218
	14	Land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach sch) ▶			
	15	Other assets (describe ▶ SEE STATEMENT 9)	2,244	684	12,259
	16	Total assets (to be completed by all filers – see the instructions Also, see page 1, item I)	1,524,762	1,559,633	1,577,599
	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. ▶ <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			
	28	Paid-in or capital surplus, or land, bldg, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	1,524,762	1,559,633	
	30	Total net assets or fund balances (see instructions)	1,524,762	1,559,633	
	31	Total liabilities and net assets/fund balances (see instructions)	1,524,762	1,559,633	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year – Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,524,762
2	Enter amount from Part I, line 27a	2	-52,765
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 10	3	87,636
4	Add lines 1, 2, and 3	4	1,559,633
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	1,559,633

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 WORKSHEET				
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) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) FMV 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) If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7		2	52,209
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 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	113,946	1,594,408	0.071466
2014	92,290	1,667,021	0.055362
2013	100,624	1,545,248	0.065118
2012	94,134	1,456,906	0.064612
2011	102,472	1,428,238	0.071747

2 Total of line 1, column (d)	2	0.328305
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	0.065661
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	1,505,144
5 Multiply line 4 by line 3	5	98,829
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	645
7 Add lines 5 and 6	7	99,474
8 Enter qualifying distributions from Part XII, line 4	8	118,950

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 <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	645
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	645
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	645
6	Credits/Payments		
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	680
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	680
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	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	35
11	Enter the amount of line 10 to be Credited to 2017 estimated tax 35 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)? <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
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? <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
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? <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	
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>	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)

	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)		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)		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ N/A	X	
14 The books are in care of ▶ FROST BANK TRUST DEPT. 2201 MARKET ST, 10TH FLOOR Located at ▶ GALVESTON TX ZIP+4 ▶ 77550 Telephone no ▶ 409-770-7158		
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 ▶		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?	<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 ▶ 20 , 20 , 20 , 20	<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 ▶ 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?	<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	
4a 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)

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)? **N/A** ☐ **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? **N/A** ☐ 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? **6b** ☒

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? **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
FROST BANK 2201 MARKET STREET, 10TH FLOOR TX 77550	TRUSTEE 4.00	36,107	0	0
CHAD DISCH FROST BANK, 2201 MARKET, 10TH FL TX 77550	ADVISORY COM 0.16	0	0	0
JEFF WIND FROST BANK, 2201 MARKET, 10TH FL TX 77550	ADVISORY COM 0.16	0	0	0
JOHN R. SULLIVAN P O BOX 131486 TX 77219	ADVISORY COM 0.16	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 PROVIDES INTEREST-FREE LOANS TO NEEDY/WORTHY STUDENTS WHO ARE TEXAS RESIDENTS AND GRADUATES OF TEXAS HIGH SCHOOLS AND WHO ATTEND TEXAS A&M UNIVERSITY	118,950
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

	Amount
1 N/A	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3 ▶	

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	1,270,490
b	Average of monthly cash balances	1b	227,449
c	Fair market value of all other assets (see instructions)	1c	30,126
d	Total (add lines 1a, b, and c)	1d	1,528,065
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	1,528,065
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	22,921
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,505,144
6	Minimum investment return. Enter 5% of line 5	6	75,257

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

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	118,950
b	Program-related investments – total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	118,950
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	645
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	118,305

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				
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				
b From 2012				
c From 2013				
d From 2014				
e From 2015				
f Total of lines 3a through e				
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ \$ _____				
a Applied to 2015, but not more than line 2a				
b Applied to undistributed income of prior years (Election required – see instructions)				
c Treated as distributions out of corpus (Election required – see instructions)				
d Applied to 2016 distributable amount				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required—see instructions)				
8 Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a				
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)

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 N/A

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

	Tax year				(e) Total
	(a) 2016	(b) 2015	(c) 2014	(d) 2013	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	75,257	79,720	83,351	77,262	315,590
b 85% of line 2a	63,968	67,762	70,848	65,673	268,251
c Qualifying distributions from Part XII, line 4 for each year listed	118,950	114,599	92,290	100,624	426,463
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	118,950	114,599	92,290	100,624	426,463
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	50,171	53,147	55,567	51,508	210,393
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))
N/A

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
FROST BANK, TRUSTEE 409-770-5665
P.O. BOX 8210 GALVESTON TX 77553-8210

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

c Any submission deadlines
SEE STATEMENT 11

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors
SEE STATEMENT 12

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> STUDENT LOANS-SEE ATTACHED	NONE	N/A	EDUCATIONAL	92,500
Total			3a	92,500
b <i>Approved for future payment</i> N/A				
Total			3b	

Form 990-PF	Capital Gains and Losses for Tax on Investment Income	2016
For calendar year 2016, or tax year beginning _____, and ending _____		

Name THE VANDAL & WINIFRED MERCER TEXAS A & M EDUCATIONAL FOUNDATION	Employer Identification Number 76-0472391
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(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
(1) FROST KEMPNER TREAS & INC FD			
(2) FROST TOTAL RETURN BOND FD			
(3) FROST VALUE EQUITY FUND			
(4) FROST GROWTH EQUITY FUND			
(5) AMER BEACON STEPHENS SM CAP			
(6) COHEN & STEERS INST REALTY FD			
(7) JHANCOCK DISC VALUE MIDCAP FD			
(8) T ROWE PRICE MID CAP GRWTH FD			
(9) T ROWE PRICE INTL DISCOVERY FD			
(10) VICTORY SMALL CO OPP FUND			
(11)			
(12)			
(13)			
(14)			
(15)			

(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)
(1) 41,106			41,106
(2) 67			67
(3) 2,739			2,739
(4) 5,792			5,792
(5) 71			71
(6) 1,041			1,041
(7) 421			421
(8) 400			400
(9) 123			123
(10) 449			449
(11)			
(12)			
(13)			
(14)			
(15)			

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) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
(1)			41,106
(2)			67
(3)			2,739
(4)			5,792
(5)			71
(6)			1,041
(7)			421
(8)			400
(9)			123
(10)			449
(11)			
(12)			
(13)			
(14)			
(15)			

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Description			How Received		Expense	Depreciation	Net Gain / Loss
Whom Sold	Date Acquired	Date Sold	Sale Price				
2482.622 SH FROST KEMPNER TREAS/INC	4/30/94	9/01/16	PURCHASE				
			25,000 \$	22,164 \$	\$	\$	2,836
9920.635 SH FROST KEMPNER TREAS/INC	4/30/94	10/03/16	PURCHASE				
			100,099	88,569			11,530
46312.277 SH FROST KEMPNER TREAS/INC	VARIOUS	12/30/16	PURCHASE				
			418,492	436,165			-17,673
10729.614 SH FROST KEMPNER MULTICAP	4/30/94	9/01/16	PURCHASE				
			99,893	100,036			-143
10822.511 SH FROST KEMPNER MULTICAP	4/30/94	10/03/16	PURCHASE				
			99,892	100,902			-1,010
25588.536 SH FROST KEMPNER MULTICAP	VARIOUS	12/02/16	PURCHASE				
			249,232	241,283			7,949
TOTAL			\$ 992,608 \$	\$ 989,119 \$	0 \$	0 \$	3,489

Statement 2 - Form 990-PF, Part I, Line 9 - Income Modifications

<u>Description</u>	<u>Amount</u>
LOAN REPAYMENTS	\$ <u>87,616</u>
TOTAL	\$ <u><u>87,616</u></u>

Federal Statements

Statement 3 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
OIL & GAS ROYALTY INCOME	\$ 2,995	\$ 2,995	\$ 2,995
TOTAL	\$ 2,995	\$ 2,995	\$ 2,995

Statement 4 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
FORM 990 PF TAX PREP FEE	\$ 1,250	\$ 625	\$ 625	\$ 625
TOTAL	\$ 1,250	\$ 625	\$ 625	\$ 625

Statement 5 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
OIL & GAS PROFESSIONAL FEES	\$ 8	\$ 8	\$ 8	\$
TOTAL	\$ 8	\$ 8	\$ 8	\$ 0

Statement 6 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
EXCISE TAX ON INVESTMENT INCOME	\$ 653	\$	\$	\$
AD VALOREM TAXES	153	153	153	
OIL & GAS PRODUCTION TAXES	210	210	210	
FOREIGN TAXES ON DIVIDENDS	56	56	56	
TOTAL	\$ 1,072	\$ 419	\$ 419	\$ 0

Federal Statements

Statement 7 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
EXPENSES				
D & O INSURANCE	1,188			
TOTAL	1,188	0	0	0

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

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
MUTUAL FUNDS	\$ 1,294,924	\$ 719,827	COST	\$ 726,218
TOTAL	\$ 1,294,924	\$ 719,827		\$ 726,218

Federal Statements

Statement 9 - Form 990-PF, Part II, Line 15 - Other Assets

Description	Beginning of Year	End of Year	Fair Market Value
MINERAL INTERESTS	\$ 4	\$ 4	\$ 11,579
PREPAID EXCISE TAX	2,240	680	680
TOTAL	<u>\$ 2,244</u>	<u>\$ 684</u>	<u>\$ 12,259</u>

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

Description	Amount
REPAYMENTS OF STUDENT LOANS	\$ 87,616
FROST KEMPNER MULTICAP COST BASIS ADJ	20
TOTAL	<u>\$ 87,636</u>

Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description
SEE ATTACHED APPLICATION

Statement 11 - Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description
APPLICATIONS ACCEPTED JANUARY 1 THROUGH MARCH 31 OF EACH YEAR

Statement 12 - Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description
NEEDY/WORTHY STUDENTS, TEXAS RESIDENTS, GRADUATE OF TX HIGH SCHOOL, ATTEND TEXAS A & M UNIVERSITY

THE VANDAL & WINIFRED MERCER TEXAS A & M EDUCATIONAL FOUNDATION
76-0472391

Form 990-PF, Part XV

Line 3 (a), Loans Made During the Year

GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR ENDING DECEMBER 31, 2016

<u>NAME</u>	<u>ADDRESS</u>	<u>AMOUNT</u>
Araujo Jorge L	2531 Silent Shore Richmond TX 77406	\$ 2 500 00
Brewster, Conner J	2852 Everett Drive Friendswood, TX 77546	2,500 00
Caszatt, Sarah L	4249 Pirates Beach Galveston TX 77554	2,500 00
Cornett, Paisley N	P O Box 416 Lindsay, TX 76250	2 500 00
Curtis Julia G	723 Seafoam Road Houston TX 77062	2,500 00
Dotson Cole A	21722 Park Brook Drive Katy TX 77450	2 500 00
Eury, Caitlyn N	2044 Phantom Rider Trail Spring Branch, TX 78070	2 500 00
Frazee, Matthew A	1817 N Everglades Drive Deer Park, TX 77536	2 500 00
Hanson Alexis L	4505 Lapis Court College Station TX 77845	2 500 00
Herrmann, Lauren F	501 Depot Street El Campo TX 77437	2 500 00
Hollas, James R	14719 Oak Bluff Court Houston TX 77070	2,500 00
Hueter Elise H	109 B North Kaupo Bastrop TX 78602	2 500 00
Iles Kaylee E	176 Landa Street Apt #331 New Braunfels TX 78130	2,500 00
Jakubik, Kyle J	14530 Redwood Bend Trail Houston, TX 77062	2 500 00
Johnson Candice E	4202 Chipley Drive Pasadena, TX 77505	2,500 00
Joyce, Katelyn V	1936 Timber Creek Drive Pearland TX 77581	2,500 00
Jureka Philip R	707 Chestnut Hills Court Katy TX 77450	2,500 00

THE VANDAL & WINIFRED MERCER TEXAS A & M EDUCATIONAL FOUNDATION
76-0472391

Form 990-PF, Part XV

Line 3 (a), Loans Made During the Year

GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR ENDING DECEMBER 31, 2016

<u>NAME</u>	<u>ADDRESS</u>	<u>AMOUNT</u>
Lee Matthew J	3502 E Truman Avenue Mission, TX 78573	2,500 00
Madden Haleigh M	160 Mystic Hollow Buda TX 78610	2 500 00
Manning, Makenzie A	3418 55th Street Lubbock TX 79413	2,500 00
Marlow Rachel L	26 Culverdale Place The Woodlands TX 77382	2,500 00
May, Marvin C	2617 Colt Lane Crowley, TX 76036	2 500 00
Neptune, Kara M	520 Pecan Grove Road Sealy TX 77474	2,500 00
Parker Kurtis B	P O Box 1191 Centerville TX 75833	2 500 00
Pawelek Bailey M	1471 CR 221 Floresville, TX 78114	2 500 00
Pawelek, McClaine A	1471 CR 221 Floresville TX 78114	2,500 00
Rohmer Kyle P	21403 Timber Ridge Drive Magnolia TX 77355	2 500 00
Rohmer Matthew T	21403 Timber Ridge Drive Magnolia, TX 77355	2 500 00
Sacco Jacob M	21534 Pebble Pine Court Cypress, TX 77433	2,500 00
Schott Bradley J	30235 Fairway Ash Fair Oaks Ranch TX 78015	2 500 00
Scott Jayce C	16131 Old Sour Lake Road Beaumont TX 77713	2 500 00
Scott, Michael R	16131 Old Sour Lake Road Beaumont TX 77713	2,500 00
Socha Haley N	1920 Rodeo Drive East Bernard TX 77435	2 500 00
Truong Amy	2804 Tremont Springs Lane Houston TX 77089	2,500 00
Tucker, Cheyanne S	1228 24th Avenue N Texas City TX 77590	2 500 00
Wiegand Emma J	205 Wilshire Drive Victoria TX 77904	2,500 00
Wood, Bailey M	515 Hillary Circle Sugar Land TX 77498	2 500 00
		<u>\$ 92 500 00</u>