

For calendar year 2016, or tax year beginning 07-01-2016, and ending 06-30-2017

Name of foundation RC CAFFARELLI EDUCATIONAL FUND FROST BANK TRUSTEE % KATHLEEN FINCK		A Employer identification number 46-4881149	
Number and street (or P O box number if mail is not delivered to street address) P O BOX 2950 TRUST TAX T-8		Room/suite	B Telephone number (see instructions) (210) 220-4455
City or town, state or province, country, and ZIP or foreign postal code SAN ANTONIO, TX 78299		C If exemption application is pending, check here ☐	
G Check all that apply ☐ Initial return ☐ Final return ☐ Address change ☐ Initial return of a former public charity ☐ Amended return ☐ Name change		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐	
H Check type of organization ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐	
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 9,224,430		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐	
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)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)	0			
	2 Check ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities . . .	193,789	193,789		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	307,309			
	b Gross sales price for all assets on line 6a				
		3,990,855			
	7 Capital gain net income (from Part IV, line 2) . . .		307,309		
	8 Net short-term capital gain				
	9 Income modifications				
Operating and Administrative Expenses	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)	148,570	146,070		
	12 Total. Add lines 1 through 11	649,668	647,168		
	13 Compensation of officers, directors, trustees, etc	6,323	3,162		3,161
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	7,613	3,806	0	3,807
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions) . . .	5,167	1,028		
	19 Depreciation (attach schedule) and depletion . . .				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	16,952	16,952		
	24 Total operating and administrative expenses. Add lines 13 through 23	36,055	24,948	0	6,968
	25 Contributions, gifts, grants paid	485,500			485,500
	26 Total expenses and disbursements. Add lines 24 and 25	521,555	24,948	0	492,468
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	128,113			
	b Net investment income (if negative, enter -0-)		622,220		
c Adjusted net income (if negative, enter -0-)					

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)			
		Beginning of year (a) Book Value	End of year (b) Book Value (c) Fair Market Value		
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	2,906,072	2,276,176	2,276,176
	3	Accounts receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	4	Pledges receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ _____ Less allowance for doubtful accounts ▶ _____			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	2,082,210	2,075,785	2,296,547
	c	Investments—corporate bonds (attach schedule)	3,931,598	4,636,032	4,651,707
	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 ▶ _____)				
16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	8,919,880	8,987,993	9,224,430	
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable	395,000	335,000	
	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)	395,000	335,000	
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	8,524,880	8,652,993	
	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)	8,524,880	8,652,993		
31	Total liabilities and net assets/fund balances (see instructions) .	8,919,880	8,987,993		

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	8,524,880
2	Enter amount from Part I, line 27a	2	128,113
3	Other increases not included in line 2 (itemize) ▶ _____	3	
4	Add lines 1, 2, and 3	4	8,652,993
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	8,652,993

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a See Additional Data Table			
b			
c			
d			
e			

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

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

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	307,309
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	3	

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2015	299,199	9,822,190	0 030462
2014	321,797	9,483,188	0 033933
2013	69,095	9,172,622	0 007533
2012			
2011			

2 Total of line 1, column (d)	2	0 071928
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 023976
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	10,145,205
5 Multiply line 4 by line 3	5	243,241
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	6,222
7 Add lines 5 and 6	7	249,463
8 Enter qualifying distributions from Part XII, line 4	8	492,468

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b	1	6,222
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	
3	Add lines 1 and 2.	3	6,222
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	6,222
6	Credits/Payments		
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	4,748
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	4,748
8	Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	1,474
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?	1a	No
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>	1b	No
c Did the foundation file Form 1120-POL for this year?	1c	
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>	2	No
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>	3	No
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	No
b If "Yes," has it filed a tax return on Form 990-T for this year?	4b	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>	5	No
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	7	Yes
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ TX _____		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation</i> .	8b	Yes
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>	9	No
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10	No

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions).	11		No
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address N/A	13	Yes	
14	The books are in care of KATHLEEN FINCK Telephone no (210) 220-4455			

Located at **PO BOX 2950 TRUST TAX T-8 SAN ANTONIO TX**ZIP+4 **78299**

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 instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes," enter the name of the foreign country ▶	16	Yes	No

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required**File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.**

1a	During the year did the foundation (either directly or indirectly)		Yes	No
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? ☐ Organizations relying on a current notice regarding disaster assistance check here. ☐	1b		No
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2016? ☐	1c		No
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? ☐ Yes ☒ No If "Yes," list the years ▶ 20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions). ☐	2b		No
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2016 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2016). ☐	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?	4b		No

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

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

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).**

(a) Name and address	Title, and average hours per week (b) devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances
FROST BANK PO BOX 1600 SAN ANTONIO, TX 782961600	TRUSTEE 1 0	6,323	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	Title, and average hours per week (b) devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances

Total number of other employees paid over \$50,000. ▶

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
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	
2	
3	
4	

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

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

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	7,269,904
b	Average of monthly cash balances.	1b	1,714,509
c	Fair market value of all other assets (see instructions).	1c	1,315,288
d	Total (add lines 1a, b, and c).	1d	10,299,701
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation).	1e	
2	Acquisition indebtedness applicable to line 1 assets.	2	0
3	Subtract line 2 from line 1d.	3	10,299,701
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	154,496
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	10,145,205
6	Minimum investment return. Enter 5% of line 5.	6	507,260

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	507,260
2a	Tax on investment income for 2016 from Part VI, line 5.	2a	6,222
b	Income tax for 2016 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	6,222
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	501,038
4	Recoveries of amounts treated as qualifying distributions.	4	2,500
5	Add lines 3 and 4.	5	503,538
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	503,538

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	492,468
b	Program-related investments—total from Part IX-B.	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes.	2	0
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required).	3a	0
b	Cash distribution test (attach the required schedule).	3b	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4.	4	492,468
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	6,222
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	486,246

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				503,538
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only.			475,592	
b Total for prior years 2014, 2013, 2012				
3 Excess distributions carryover, if any, to 2016				
a From 2011.				
b From 2012.				
c From 2013.				
d From 2014.				
e From 2015.				0
f Total of lines 3a through e.	0			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ \$ <u>492,468</u>				
a Applied to 2015, but not more than line 2a			475,592	
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.				16,876
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				
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				486,662
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	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.	0			

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

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

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

1 Information Regarding Foundation Managers:	
a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))	
b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest	
2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:	
Check here ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.	
a The name, address, and telephone number or e-mail address of the person to whom applications should be addressed SEE ATTACHED SEE ATTACHED SEE ATTACHED, TX 78299 (210) 220-4455	
b The form in which applications should be submitted and information and materials they should include SEE ATTACHED APPLICATION	
c Any submission deadlines SEE ATTACHED APPLICATION	
d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors SEE ATTACHED APPLICATION	

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i> See Additional Data Table				
Total			3a	485,500
b <i>Approved for future payment</i>				
Total			3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	(e) (See instructions)
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					
4 Dividends and interest from securities. . . .			14	193,789	
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.			15	146,071	
8 Gain or (loss) from sales of assets other than inventory			18	307,308	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a REFUND - PY QUALIFYING DISTRIBUTION _____			41	2,500	
b _____					
c _____					
d _____					
e _____					
12 Subtotal Add columns (b), (d), and (e). .				649,668	
13 Total. Add line 12, columns (b), (d), and (e).				649,668	

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

[illegible]

Part XVII

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

[illegible]

- 2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

- b** If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

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

Print/Type preparer's name STEWART GOODSON	Preparer's Signature	Date	Check if self-employed ► ☐	PTIN P00084462
Firm's name ► ERNST & YOUNG US LLP				Firm's EIN ►
Firm's address ► 100 W Houston St Ste 1700 SAN ANTONIO, TX 78205				Phone no (210) 228-9696

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d			
List and describe the kind(s) of property sold (e g , real estate, (a) 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
541 306 AMERICAN BEACON STEPHE		2016-01-27	2016-10-26
245 074 BLACKROCK S&P 500 STK		2017-01-25	2017-04-26
13585 608 FROST GROWTH EQUITY			2017-01-25
6071 561 FROST GROWTH EQUITY F		2010-03-16	2017-04-26
14643 398 FROST VALUE EQUITY F			2017-01-25
14271 812 FROST VALUE EQUITY F			2017-04-26
4395 989 HARDING LOEVNER INTL		2015-04-28	2016-07-27
1182 250 JHANCOCK DISCIPLINED V		2015-02-18	2016-07-27
3800 022 LAZARD INTL EQTY PORT		2014-11-06	2016-07-27
254 949 T ROWE PRICE MID-CAP G		2015-04-28	2016-07-27

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

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
8,569		7,248	1,321
69,892		67,253	2,639
176,613		124,340	52,273
84,455		53,672	30,783
145,409		129,566	15,843
146,001		136,175	9,826
80,666		85,809	-5,143
24,189		24,603	-414
64,296		65,132	-836
19,822		20,666	-844

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

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			1,321
			2,639
			52,273
			30,783
			15,843
			9,826
			-5,143
			-414
			-836
			-844

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d			
List and describe the kind(s) of property sold (e g , real estate, (a) 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
422 438 VICTORY SMALL CO OPP F		2015-02-18	2016-07-27
304 292 VICTORY SMALL CO OPP F		2015-02-18	2017-01-25
6531 168 ARTISAN HIGH INCOME F			2017-04-26
6826 474 ARTISAN HIGH INCOME F			2017-04-26
42890 043 HARTFORD WORLD BOND			2017-01-25
2968 226 AMERICAN BEACON STEPH			2017-05-18
78 800 BLACKROCK S&P 500 STK M		2017-01-25	2017-04-26
366 541 BLACKROCK S&P 500 STK		2017-01-25	2017-05-18
2353 439 COHEN & STEERS INSTL			2017-05-18
4951 022 FROST GROWTH EQUITY F		2016-12-01	2017-01-25

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

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
16,657		16,682	-25
13,580		12,016	1,564
65,899		65,507	392
68,878		64,578	4,300
441,338		452,909	-11,571
51,350		50,432	918
22,473		21,624	849
103,775		100,586	3,189
102,327		104,188	-1,861
64,363		67,086	-2,723

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

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(I) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			-25
			1,564
			392
			4,300
			-11,571
			918
			849
			3,189
			-1,861
			-2,723

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

List and describe the kind(s) of property sold (e g , real estate, (a) 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
2007 917 FROST GROWTH EQUITY F		2016-12-01	2017-04-26
7560 411 FROST GROWTH EQUITY F		2016-12-01	2017-05-18
4374 179 FROST VALUE EUQITY FD		2016-12-01	2017-01-25
4973 695 FROST VALUE EQUITY FD		2016-12-01	2017-04-26
10208 508 FROST VALUE EQUITY F		2016-12-01	2017-05-18
1121 393 HARDING LOEVNER EMERG		2016-12-01	2017-05-18
2799 334 HARDING LOEVNER INTL		2016-12-01	2017-05-18
798 906 INVESCO DEV MARKETS FU		2017-04-26	2017-05-18
3387 348 JHANCOCK DISCLPNED VA		2016-12-01	2017-05-18
3093 352 LAZARD INTL EQTY PORT		2016-12-01	2017-05-18

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

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
27,930		27,207	723
106,526		102,443	4,083
43,435		44,004	-569
50,881		50,035	846
103,310		102,697	613
57,808		49,184	8,624
57,862		49,184	8,678
25,964		25,956	8
74,928		73,776	1,152
55,835		49,184	6,651

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

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(I) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			723
			4,083
			-569
			846
			613
			8,624
			8,678
			8
			1,152
			6,651

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d			
List and describe the kind(s) of property sold (e.g., real estate, (a) 2-story brick warehouse, or common stock, 200 shs MLC Co.)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
955 159 T ROWE PRICE MID-CAP G		2016-12-01	2017-05-18
1124 770 VICTORY SMALL CO OPP			2017-05-18
5034 217 ARTISAN HIGH INCOME F		2016-12-01	2017-04-26
5107 404 FROST CREDIT FUND INS		2016-12-01	2017-05-18
7586 000 FROST LOW DURATION BO		2016-12-01	2017-05-18
83986 000 FROST TOTAL RETURN B		2016-12-01	2017-05-18
11231 406 HARTFORD FLOATING RA			2017-05-18
16794 639 HARTFORD WORLD BOND		2016-12-01	2017-01-25
CAPITAL GAIN DIVIDENDS	P		

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

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
79,536		73,776	5,760
48,928		50,905	-1,977
50,795		49,184	1,611
50,869		49,184	1,685
77,832		77,377	455
882,693		870,095	12,598
98,162		97,138	1,024
172,816		172,145	671
			154,193

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

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
			5,760
			-1,977
			1,611
			1,685
			455
			12,598
			1,024
			671

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
BAYLOR UNIVERSITY PO BOX 97028 WACO, TX 76798	NONE	PC	EDUCATIONAL SCHOLARSHIP	12,500
NORTHWEST VISTA COLLEGE 3535 N ELLISON DR SAN ANTONIO, TX 78251	NONE	PC	EDUCATIONAL SCHOLARSHIP	5,000
ST EDWARDS UNIVERSITY 3001 S CONGRESS AVE AUSTIN, TX 78704	NONE	PC	EDUCATIONAL SCHOLARSHIP	15,000
ST MARY'S UNIVERSITY ONE CAMINO SANTA MARIA SAN ANTONIO, TX 78228	NONE	PC	EDUCATIONAL SCHOLARSHIP	5,000
TEXAS A&M UNIVERSITY PO BOX 30016 COLLEGE STATION, TX 77843	NONE	PC	EDUCATIONAL SCHOLARSHIP	110,000
Total 3a				485,500

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
TEXAS STATE UNIVERSITY 601 UNIVERSITY DR SAN MARCOS, TX 78666	NONE	PC	EDUCATIONAL SCHOLARSHIP	12,500
TRINITY UNIVERSITY ONE TRINITY PLACE SAN ANTONIO, TX 78212	NONE	PC	EDUCATIONAL SCHOLARSHIP	7,500
UNIVERSITY OF HOUSTON Room 1 E Cullen Building HOUSTON, TX 77204	NONE	PC	EDUCATIONAL SCHOLARSHIP	5,000
UNIVERSITY OF TEXAS AT AUSTIN PO BOX 7758 UT STATION AUSTIN, TX 78712	NONE	PC	EDUCATIONAL SCHOLARSHIP	105,000
UNIVERSITY OF TEXAS AT DALLAS 800 W CAMPBELL RD RICHARDSON, TX 75080	NONE	PC	EDUCATIONAL SCHOLARSHIP	17,500
Total ▶ 3a				485,500

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
UNIVERSITY OF TEXAS SAN ANTONIO 6900 N LOOP 1604 W SAN ANTONIO, TX 78249	NONE	PC	EDUCATIONAL SCHOLARSHIP	110,500
SAN ANTONIO COLLEGE 1300 SAN PEDRO AVENUE SAN ANTONIO, TX 78212	NONE	PC	EDUCATIONAL SCHOLARSHIP	5,000
TEXAS A&M KINGSVILLE 700 UNIVERSITY BLVD KINGSVILLE, TX 78363	NONE	PC	EDUCATIONAL SCHOLARSHIP	5,000
SOUTHWESTERN UNIVERSITY PO BOX 770 GEORGETOWN, TX 78627	NONE	PC	EDUCATIONAL SCHOLARSHIP	7,500
THE UNIVERSITY OF TEXAS AT ARLINGTON BOX 19199 - EE DAVIS HALL 252 ARLINGTON, TX 76019	NONE	PC	EDUCATIONAL SCHOLARSHIP	5,000
Total 				485,500
3a				

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
TEXAS A&M UNIVERSITY COMMERCE PO BOX 3011 COMMERCE, TX 75429	NONE	PC	EDUCATIONAL SCHOLARSHIP	7,500
TARLETON STATE UNIVERSITY BOX T-0760 STEPHENVILLE, TX 76402	NONE	PC	EDUCATIONAL SCHOLARSHIP	7,500
TEXAS TECH UNIVERSITY BOX 45011 LUBBOCK, TX 794095011	NONE	PC	EDUCATIONAL SCHOLARSHIP	10,000
MIDLAND COLLEGE WRTTC 1309 INTERSTATE 10 W FORT STOCKTON, TX 79735	NONE	PC	EDUCATIONAL SCHOLARSHIP	5,000
MIDWESTERN STATE UNIVERSITY 3410 TAFT BLVD WICHITA FALLS, TX 76308	NONE	PC	EDUCATIONAL SCHOLARSHIP	7,500
Total ▶ 3a				485,500

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
ODESSA COLLEGE 201 W UNIVERSITY BLVD ODESSA, TX 79764	NONE	PC	EDUCATIONAL SCHOLARSHIP	2,500
ST PHILIP'S COLLEGE 1801 MARTIN LUTHER KING DR SAN ANTONIO, TX 78203	NONE	PC	EDUCATIONAL SCHOLARSHIP	5,000
TEXAS A&M-CORPUS CHRISTI 6300 OCEAN DRIVE UNIT 5772 CORPUS CHRISTI, TX 78412	NONE	PC	EDUCATIONAL SCHOLARSHIP	5,000
TEXAS A&M-COLLEGE STATION PAVILLION ROOM 220 COLLEGE STATION, TX 77842	NONE	PC	EDUCATIONAL SCHOLARSHIP	2,500
UNIVERSITY OF TEXAS AT TYLER 3900 UNIVERSITY BLVD TYLER, TX 75799	NONE	PC	EDUCATIONAL SCHOLARSHIP	7,500
Total ▶ 3a				485,500

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
UT HEALTH SCIENCE CENTER 7703 FLOYD CURL DRIVE SAN ANTONIO, TX 78229	NONE	PC	EDUCATIONAL SCHOLARSHIP	5,000
UNIVERSITY OF TEXAS RIO GRANDE VALLEY 1201 W UNIVERSITY DRIVE EDINBURG, TX 78539	NONE	PC	EDUCATIONAL SCHOLARSHIP	5,000
TEXAS LUTHERAN UNIVERSITY 1000 W COURT STREET SEGUIN, TX 78155	NONE	PC	EDUCATIONAL SCHOLARSHIP	5,000
LAMAR UNIVERSITY PO BOX 10042 BEAUMONT, TX 77710	NONE	PC	EDUCATIONAL SCHOLARSHIP	2,500
BLINN COLLEGE 902 COLLEGE AVENUE BRENHAM, TX 77833	NONE	PC	EDUCATIONAL SCHOLARSHIP	7,500
Total ▶ 3a				485,500

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
SAM HOUSTON STATE UNIVERSITY PO BOX 2328 HUNTSVILLE, TX 77341	NONE	PC	EDUCATIONAL SCHOLARSHIP	5,000
TEXAS CHRISTIAN UNIVERSITY PO BOX 297077 FORT WORTH, TX 76129	NONE	PC	EDUCATIONAL SCHOLARSHIP	2,500
DALLAS BAPTIST UNIVERSITY 3000 MOUNTAIN CREEK PARKWAY DALLAS, TX 75211	NONE	PC	EDUCATIONAL SCHOLARSHIP	2,500
UNIVERSITY OF NORTH TEXAS PO BOX 311370 DENTON, TX 76203	NONE	PC	EDUCATIONAL SCHOLARSHIP	22,500
SET-ASIDE PAYBACK PO BOX 2950 TRUST TAX T-8 SAN ANTONIO, TX 78299	NONE		NONE	-60,000
Total ▶ 3a				485,500

TY 2016 Accounting Fees Schedule

Name: RC CAFFARELLI EDUCATIONAL FUND
FROST BANK TRUSTEE

EIN: 46-4881149

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ERNST & YOUNG LLP	7,613	3,806		3,807

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2016 Depreciation Schedule

Name: RC CAFFARELLI EDUCATIONAL FUND

FROST BANK TRUSTEE

EIN: 46-4881149

TY 2016 Investments Corporate Bonds Schedule**Name:** RC CAFFARELLI EDUCATIONAL FUND

FROST BANK TRUSTEE

EIN: 46-4881149

Name of Bond	End of Year Book Value	End of Year Fair Market Value
ARTISAN HIGH INCOME FD ADV	0	0
FROST CREDIT FUND INSTL	121,079	119,404
FROST LOW DURATION BOND FD I	779,320	765,056
FROST TOTAL RETURN BOND FUND	3,481,755	3,507,756
HARTFORD FLOATING RATE FUND CL	253,878	259,491
HARTFORD WORLD BOND FD INSTL	0	0

TY 2016 Investments Corporate Stock Schedule

Name: RC CAFFARELLI EDUCATIONAL FUND
FROST BANK TRUSTEE

EIN: 46-4881149

Name of Stock	End of Year Book Value	End of Year Fair Market Value
COHEN & STEERS INSTL REALTY FD	245,095	266,482
FROST GROWTH EQUITY FUND INSTL	209,558	278,161
FROST VALUE EQUITY FD INS	268,449	273,655
HARDING LOEVNER INTL EQ FD	138,124	147,960
JHANCOCK DISCIPLINED VALUE MID	191,899	215,216
LAZARD INTL EQTY PORT-INSTL	142,274	139,314
T ROWE PRICE MID-CAP GROWTH	196,089	215,162
VICTORY SMALL CO OPP FUND	115,283	134,925
AMERICAN BEACON STEPHENS SM	116,759	135,509
BLACKROCK S&P STK MASTER CL K*	257,294	270,936
HARDING LOEVNER EMERGING MKTS	128,583	150,643
INVESCO DEV MARKETS FUND INSTL	66,378	68,584

TY 2016 Other Expenses Schedule

Name: RC CAFFARELLI EDUCATIONAL FUND
FROST BANK TRUSTEE

EIN: 46-4881149

Other Expenses Schedule

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ROYALTY EXPENSES	6,648	6,648		
O&G PROCESSING EXPENSE	62	62		
O&G PRODUCTION TAX	6,959	6,959		
O&G PROPERTY TAXES	3,283	3,283		

TY 2016 Other Income Schedule

Name: RC CAFFARELLI EDUCATIONAL FUND
FROST BANK TRUSTEE

EIN: 46-4881149

Other Income Schedule

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
ROYALTY INCOME	146,070	146,070	
REFUND - RECOVERY OF QUALIFIED DIST	2,500		

TY 2016 Taxes Schedule

Name: RC CAFFARELLI EDUCATIONAL FUND
FROST BANK TRUSTEE

EIN: 46-4881149

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FOREIGN TAXES	1,028	1,028		
ESTIMATED TAXES - CY	4,139			

Attachment 9

R C Caffarelli Educational Fund
46-4881149
Attachment to Part XV, line 2a

[www everychanceeverytexan org/ funding/ aid/ scholarship/ roccocaff php](http://www.everychanceeverytexan.org/funding/aid/scholarship/roccocaff.php)

Reporting Set-asides under the Cash Distribution Test
Tax Year Ended 6/30/17

Form 990-PF, Part XV Line 3

- 1 The nature and purpose of the project for which the amounts are to be set aside are described below
The R C Caffarelli Educational Fund was established to provide scholarships for deserving students in the state of Texas. The Trustee is currently establishing a communication plan to make the Foundation known to the public, create a review plan to award the scholarships and a budget. The set aside is being established in order to allow for an effective scholarship program.
- 2 The amounts set aside for the project described in item 1 will be paid within the 60-month period that ends after the date of the set-aside
- 3 The project will not be completed before the end of the above-referenced tax year (the year in which the set-aside was made)
- 4 Amounts set aside for charitable purposes are as follows
 - a 6/30/2014 \$60,000
 - b 6/30/2015 \$175,000
 - c 6/30/2016 \$160,000
- 5 Payments made for exempt purposes are as follows
 - a 6/30/2014 \$9,095
 - b 6/30/2015 \$153,503
 - c 6/30/2016 \$143,944
 - d 6/30/2017 \$492,468
- 6 Set-aside paid during the year
 - a 6/30/2017 \$60,000



Welcome to The Rocco C. Caffarelli Scholarship, a Texas scholarship program sponsored by Frost Bank on behalf of Rocco C. Caffarelli.

Please review the qualifications for this scholarship. If you qualify for an award from this scholarship, please complete, print, and mail your application packet to Frost Bank. A checklist of required documentation is attached. Due to the volume of applicants we receive each year, we will not be able to contact you if your application packet is incomplete. Failure to submit all required documentation will result in ineligibility for this scholarship.

Deadline: Postmarked by March 31, 2017

A complete application package consists of the following:

- Biographical questionnaire
- High school transcript
- ACT or SAT scores (usually indicated on your transcript)
- Copy of your Student Aid Report (the whole report, not just the summary page)
- Secondary school report to be completed by someone who knows you and can speak knowledgeably about your academic capabilities and commitment
- Student's authorization for release of information
- Optional: a personal letter of recommendation from someone who knows you well and whose opinion you respect

Please mail your packet to:

Frost Bank
Attn: Linda W. Namestnik
P.O. Box 1600 T-7
San Antonio, Texas 78296

You may insert extra lines or pages if necessary.

Thank you for your interest in The Rocco C. Caffarelli Scholarship.

Linda W. Namestnik
Senior Vice President
Frost Bank

BIOGRAPHICAL QUESTIONNAIRE**PERSONAL IDENTIFICATION**

Name _____ Date of Birth _____

Address _____

Phone Number _____ E-mail Address _____

How long have you lived in Texas? _____

FAMILY INFORMATION

Parents/Guardian _____

Father's Occupation _____ Mother's Occupation _____

Address _____

Number and ages of siblings _____

Will you be claimed as a dependent on your parents' tax returns while in college? _____

HONORS AND ACTIVITIES

List the activities in which you have participated, any offices you have held, and any awards you have received

Which activity brought you the most personal satisfaction and why?

WORK EXPERIENCE

Employer(s)

Length of employment(s)

Reason(s) for leaving

What have you learned from your work experience?

If you have not worked, how have you spent your summer months?

Have you ever been suspended or expelled from school? If so, please comment.

EDUCATIONAL GOALS

College/University you plan to attend (in order of preference)

_____	Have you been accepted? _____
_____	Have you been accepted? _____
_____	Have you been accepted? _____

What do you plan to study and why?

Why are you choosing to attend college rather than pursuing another life path such as joining the military or going directly into the work force?

What responsibilities have you learned in life that will help you to attain your educational goals? Please include a comment about your level of commitment to your plan.

FINANCIAL DATA (INCLUDE A FULL STUDENT AID REPORT)

Family income from all sources \$ _____ How many people in your family will be attending college over the next four years? _____

Where do you plan to live while in college? _____

Who will be responsible for your educational expenses? _____

What other scholarships/loans/grants have you received? _____

From a financial standpoint, why is this scholarship important to you?

PERSONAL STATEMENTS

What person in your life has had the most profound influence on you and why?

We will receive information about you from several sources, but you know yourself better than anyone else does. From your personal and unique point of view, what do you want the Rocco C. Caffarelli scholarship committee to know about you?

Please review Mr. Caffarelli's biography as found on the Frost website scholarship page and make whatever comments you feel are appropriate.

Statement: By signing this application, I hereby state that I believe that I am qualified to receive an award from The Rocco C. Caffarelli Scholarship program and that all of the above statements are true and correct to the best of my knowledge.

Name _____ Date _____

SECONDARY SCHOOL REPORT / RECOMMENDATION

Please ask a faculty member, counselor, or administrator who is acquainted with your academic abilities to complete this report

Name of student _____
(FIRST) (MIDDLE) (LAST)

To the rater The above named student is applying for The Rocco C. Caffarelli Scholarship through Frost Bank. The selection committee recognizes and respects the importance of your comments on this student's character, academic preparedness, and commitment to his academic goals.

The student will submit a form permitting the use of academic records and your comments in the selection review process. As per the requirements of Public Law 93-380 the information you provide will be used only by our selection committee for the purposes indicated and will not be divulged to anyone else.

If you prefer to submit your own letter of recommendation in lieu of completing this form, you are welcome to do so. Thank you for your kind assistance in this matter.

1 Do you believe that this student can successfully make the transition from high school to college? Does he have the academic skills, maturity, and life skills to meet the challenges inherent in this next phase of his life?

2 Is this student realistic about his abilities and ambitions?

3 One of the requirements for this scholarship is good character. Please comment on this student's character.

4 What additional comments can you offer that will assist the selection committee in consideration of this student for a scholarship?

Name _____ Title _____

STUDENT'S AUTHORIZATION FOR RELEASE OF INFORMATION

Pursuant to Public Law 93-380, The Family Educational Rights and Privacy act, permission is required for academic records and letters of recommendation to be released to third parties by the school or by individuals within a school

Name of scholarship candidate _____

I hereby authorize appropriate school authorities to release information and recommendations to the selection committee of The Rocco C. Caffarelli Educational Trust for the purpose of seeking a scholarship grant in order to continue my education beyond high school

Signature of student _____

Signature of parent/guardian _____ Date _____

(IF STUDENT IS UNDER THE AGE OF 18 YEARS)