

efile GRAPHIC print - DO NOT PROCESS		As Filed Data -		DLN: 93491087006138			
Form 990-PF Department of the Treasury Internal Revenue Service		Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation ▶ Do not enter social security numbers on this form as it may be made public. ▶ Information about Form 990-PF and its instructions is at www.irs.gov/form990pf.			OMB No 1545-0052 2016 Open to Public Inspection		
For calendar year 2016, or tax year beginning 12-01-2016, and ending 11-30-2017							
Name of foundation THE LYDA HILL FOUNDATION				A Employer identification number 75-2708838			
Number and street (or P.O. box number if mail is not delivered to street address) 2001 ROSS AVENUE SUITE 4600			Room/suite	B Telephone number (see instructions) (214) 922-1100			
City or town, state or province, country, and ZIP or foreign postal code DALLAS, TX 75201				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)▶\$ 11,242,632		J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify) _____ (Part I, column (d) must be on cash basis)		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐			
Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))				(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc., received (attach schedule)					
	2	Check ☒ if the foundation is not required to attach Sch. B					
	3	Interest on savings and temporary cash investments	87	87			
	4	Dividends and interest from securities	219,951	219,951			
	5a	Gross rents					
	b	Net rental income or (loss) _____					
	6a	Net gain or (loss) from sale of assets not on line 10	-19,611				
	b	Gross sales price for all assets on line 6a _____ 281,625					
	7	Capital gain net income (from Part IV, line 2)		0			
	8	Net short-term capital gain					
	9	Income modifications					
	10a	Gross sales less returns and allowances _____					
b	Less Cost of goods sold						
c	Gross profit or (loss) (attach schedule)						
11	Other income (attach schedule)						
12	Total. Add lines 1 through 11	200,427	220,038				
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0	0		0	
	14	Other employee salaries and wages					
	15	Pension plans, employee benefits					
	16a	Legal fees (attach schedule)					
	b	Accounting fees (attach schedule)	500	250		250	
	c	Other professional fees (attach schedule)					
	17	Interest					
	18	Taxes (attach schedule) (see instructions)	23,828	18,692		0	
	19	Depreciation (attach schedule) and depletion					
	20	Occupancy					
	21	Travel, conferences, and meetings					
	22	Printing and publications					
	23	Other expenses (attach schedule)	1,520	1,520		0	
	24	Total operating and administrative expenses. Add lines 13 through 23	25,848	20,462		250	
	25	Contributions, gifts, grants paid	50,000			50,000	
26	Total expenses and disbursements. Add lines 24 and 25	75,848	20,462		50,250		
	27	Subtract line 26 from line 12					
	a	Excess of revenue over expenses and disbursements	124,579				
	b	Net investment income (if negative, enter -0-)		199,576			
	c	Adjusted net income (if negative, enter -0-)					
For Paperwork Reduction Act Notice, see instructions.				Cat No 11289X		Form 990-PF (2016)	

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	15,655	20,000	20,000
	2	Savings and temporary cash investments	129,841	88,343	88,343
	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)	1,061,836	1,151,882	6,071,950
	c	Investments—corporate bonds (attach schedule)	2,644,217	2,701,878	2,680,124
	11	Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	255,992	270,017	2,382,215
	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)	4,107,541	4,232,120	11,242,632	
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable.			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule).			
	22	Other liabilities (describe ▶ _____)			
	23	Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds	0	0	
	28	Paid-in or capital surplus, or land, bldg, and equipment fund	966,948	966,948	
	29	Retained earnings, accumulated income, endowment, or other funds	3,140,593	3,265,172	
30	Total net assets or fund balances (see instructions)	4,107,541	4,232,120		
31	Total liabilities and net assets/fund balances (see instructions) .	4,107,541	4,232,120		

Part III Analysis of Changes in Net Assets or Fund Balances			
1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	4,107,541
2	Enter amount from Part I, line 27a	2	124,579
3	Other increases not included in line 2 (itemize) ▶ _____	3	0
4	Add lines 1, 2, and 3	4	4,232,120
5	Decreases not included in line 2 (itemize) ▶ _____	5	0
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 .	6	4,232,120

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	-19,611
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	57,323	9,400,807	0 006098
2014	2,461	8,495,683	0 000290
2013	376,710	7,657,812	0 049193
2012	1,017,320	8,200,405	0 124057
2011	391	9,915,873	0 000039
2 Total of line 1, column (d)			2 0 179677
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 035935
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5			4 10,419,287
5 Multiply line 4 by line 3			5 374,417
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 1,996
7 Add lines 5 and 6			7 376,413
8 Enter qualifying distributions from Part XII, line 4			8 50,250

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	3,992
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	3,992
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	3,992
6	Credits/Payments		
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	3,200
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	3,200
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	792
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)? 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	1b	No
c Did the foundation file Form 1120-POL for this year?	1c	No
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ☐ \$ _____ 0 (2) On foundation managers ☐ \$ _____ 0		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ☐ \$ _____ 0		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities	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? If "Yes," attach a conformed copy of the changes	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? If "Yes," attach the statement required by General Instruction T	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? If "Yes," complete Part II, col (c), and Part XV	7	Yes
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ CO, TX		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation .	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)? If "Yes," complete Part XIV	9	No
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	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 WWW LYDAHILLFOUNDATION ORG	13	Yes	
14	The books are in care of FRANK MACKEY Telephone no (214) 922-1100			

Located at **2001 ROSS AVENUE SUITE 4600 DALLAS TX** ZIP+4 **75201**

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		
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		No
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?	4b		No

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

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

[illegible][illegible]

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. ►		0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3 ►	0

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities.	1a	8,173,075
b	Average of monthly cash balances.	1b	243,226
c	Fair market value of all other assets (see instructions).	1c	2,161,655
d	Total (add lines 1a, b, and c).	1d	10,577,956
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	10,577,956
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	158,669
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	10,419,287
6	Minimum investment return. Enter 5% of line 5.	6	520,964

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	520,964
2a	Tax on investment income for 2016 from Part VI, line 5.	2a	3,992
b	Income tax for 2016 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	3,992
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	516,972
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	516,972
6	Deduction from distributable amount (see instructions).	6	0
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1.	7	516,972

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	50,250
b	Program-related investments—total from Part IX-B.	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes.	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required).	3a	
b	Cash distribution test (attach the required schedule).	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4.	4	50,250
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions).	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	50,250

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				516,972
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only.			0	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2016				
a From 2011.				
b From 2012.	641,444			
c From 2013.				
d From 2014.				
e From 2015.				
f Total of lines 3a through e.	641,444			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ \$ 50,250				
a Applied to 2015, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see instructions).		0		
c Treated as distributions out of corpus (Election required—see instructions).	0			
d Applied to 2016 distributable amount.				50,250
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))	466,722			466,722
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	174,722			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.		0		
d Subtract line 6c from line 6b Taxable amount—see instructions		0		
e Undistributed income for 2015 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2016 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2017				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions).	0			
8 Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions).	0			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	174,722			
10 Analysis of line 9				
a Excess from 2012.	174,722			
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. ▶

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))

LYDA HILL

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 email address of the person to whom applications should be addressed

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

c Any submission deadlines

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

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> COMMUNITIES FOUNDATION OF TEXAS 5500 CARUTH HAVEN LN DALLAS, TX 75225	NONE	PC	HARVEY KIDS FUND	50,000
Total			3a	50,000
b <i>Approved for future payment</i>				
Total			3b	0

Enter gross amounts unless otherwise indicated

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

Form **990-PF** (2016)

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

Print/Type preparer's name JUSTIN W REEVES	Preparer's Signature	Date	Check if self-employed ► ☐	PTIN P01248048
Firm's name ► WEAVER AND TIDWELL LLP				Firm's EIN ► 75-0786316
Firm's address ► 12221 MERIT DRIVE SUITE 1400 DALLAS, TX 75251				Phone no (972) 490-1970

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)
AMERICAN AIRLINES GROUP, INC	P	2014-01-16	2017-05-04
GENERAL MOTORS COMPANY	P	2014-01-16	2017-05-04
FIREEYE, INC	P	2014-01-17	2017-05-04
FREEPORT MCMORAN COPPER & GOLD	P	2012-03-01	2017-05-04
GILDEAD SCIENCES INC	P	2013-11-21	2017-05-04
WILLIAMS COMPANIES INC	P	2012-03-01	2017-05-04
CHEVRON CORP	P	2005-01-28	2017-10-09
MYLAN INC	P	2015-03-02	2017-10-09

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)
55,988		38,481	17,507
32,620		39,405	-6,785
8,355		43,585	-35,230
10,254		39,278	-29,024
47,256		50,443	-3,187
35,149		36,974	-1,825
27,803		12,884	14,919
64,200		40,186	24,014

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	
			17,507
			-6,785
			-35,230
			-29,024
			-3,187
			-1,825
			14,919
			24,014

Form 990PF Part VIII Line 1 - List all officers, directors, trustees, foundation managers and their compensation

(a) Name and address	Title, and average hours per week (b) devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances
LYDA HILL 2001 ROSS AVENUE SUITE 4600 DALLAS, TX 75201	VP/DIRECTOR 0 10	0	0	0
MARY JALONICK 3963 MAPLE AVENUE SUITE 390 DALLAS, TX 75219				
NANCY LEWIS 2001 ROSS AVENUE SUITE 4600 DALLAS, TX 75201	DIRECTOR 0 10	0	0	0
FRANK MACKEY 2001 ROSS AVENUE SUITE 4600 DALLAS, TX 75201				
NICOLE SMALL 2001 ROSS AVENUE SUITE 4600 DALLAS, TX 75201	PRESIDENT 2 00	0	0	0
TIMOTHY B SMITH 2001 ROSS AVENUE SUITE 4600 DALLAS, TX 75201		0	0	0

TY 2016 Accounting Fees Schedule**Name:** THE LYDA HILL FOUNDATION**EIN:** 75-2708838

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	500	250		250

TY 2016 General Explanation Attachment**Name:** THE LYDA HILL FOUNDATION**EIN:** 75-2708838**General Explanation Attachment**

Identifier	Return Reference	Explanation	
1		PART VII-B, QUESTION 1A (3)	STATEMENT REGARDING FURNISHING OR RECEIVING GOODS, ETC , TO OR FROM A DISQUALIFIED PERSON-PART VII-B, QUESTION 1A(3) LH HOLDINGS, INC ("LHH") IS A CORPORATION OF WHICH ALL THE OUTSTANDING STOCK IS OWNED BY LYDA HILL LYDA HILL IS AN OFFICER AND DIRECTOR OF THE LYDA HILL FOUNDATION ("FOUNDATION"), AND A DISQUALIFIED PERSON WITH RESPECT TO IT LHH MAKES AVAILABLE TO THE FOUNDATION, AS MAY BE REQUIRED FOR THE CONDUCT OF ITS ACTIVITIES, THE SERVICES OF CERTAIN OF ITS OFFICERS AND EMPLOYEES THESE SERVICES ARE MADE AVAILABLE TO THE FOUNDATION WITHOUT ANY CHARGE FOR SALARIES, PAYROLL TAXES, EMPLOYEE BENEFITS, OR RELATED PERSONNEL COSTS LIKEWISE, LHH MAKES NO CHARGE TO THE FOUNDATION FOR OCCUPANCY COSTS ASSOCIATED WITH ITS OFFICE SPACE NORMALLY OCCUPIED BY ITS OFFICERS AND EMPLOYEES WHILE PERFORMING SUCH SERVICES

General Explanation Attachment

Identifier	Return Reference	Explanation	
2		PART VII-B, QUESTION 3A	STATEMENT REGARDING FOUNDATION HOLDING MORE THAN 2% DIRECT INTEREST IN A BUSINESS ENTERPRISE-PART VII-B, QUESTION 3A TAXPAYER OWNS 3.8% OF THE VOTING STOCK OF HEADS UP TECHNOLOGIES, INC. THE TAXPAYER AND ALL DISQUALIFIED PERSONS TOGETHER HOLD NO MORE THAN 20% OF THE VOTING STOCK OF HEADS UP TECHNOLOGIES, INC.

TY 2016 Investments Corporate Bonds Schedule

Name: THE LYDA HILL FOUNDATION

EIN: 75-2708838

Name of Bond	End of Year Book Value	End of Year Fair Market Value
VANGUARD ST BOND FUND	2,701,878	2,680,124

TY 2016 Investments Corporate Stock Schedule

Name: THE LYDA HILL FOUNDATION
EIN: 75-2708838

Name of Stock	End of Year Book Value	End of Year Fair Market Value
CHEVRON CORP.	0	0
HEADS UP TECHNOLOGY, INC.	259,250	1,727,500
JP MORGAN CHASE & CO.	39,292	94,068
PEPSICO, INC.	38,909	69,912
APPLE INC.	49,813	192,472
INVESCO LTD.	47,466	72,340
MARRIOTT INTL INC	46,195	91,440
FREEPORT MCMORAN COPPER & GOLD	0	0
ALPHABET INC.	40,437	133,743
MYLAN INC.	0	0
WILLIAMS COMPANIES INC.	0	0
GILEAD SCIENCES INC	0	0
HALLIBURTON COMPANY	48,772	37,602
HOME DEPOT INC	48,138	107,892
LENNAR CORP	48,093	87,892
MCDONALDS CORP	49,340	85,985
AMERICAN AIRLINES GROUP	0	0
FIREEYE INC	0	0
GENERAL MOTORS COMPANY	0	0
WIX.COM LTD	40,311	76,860
ILG, INC.	3,768	10,871
APPLIED MATERIALS, INC.	63,145	79,155
BANK OF AMERICA CORP	60,309	70,425
CELGENE CORP	42,157	30,249
JUNIPER NETWORKS	40,128	40,252
LENNAR CORP CL B	817	1,437
REATA PHARMACEUTICALS	0	2,868,676
RED HAT, INC.	41,639	44,366
SALESFORCE.COM INC	41,440	44,336
STARBUCKS CORP	61,118	57,820

Name of Stock	End of Year Book Value	End of Year Fair Market Value
SYNCHRONY FINL	41,345	46,657

TY 2016 Investments - Other Schedule

Name: THE LYDA HILL FOUNDATION

EIN: 75-2708838

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
7.095 ACRES OF LAND	AT COST	270,017	2,382,215

TY 2016 Other Expenses Schedule**Name:** THE LYDA HILL FOUNDATION**EIN:** 75-2708838**Other Expenses Schedule**

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
MAINTENANCE	1,520	1,520		0

TY 2016 Taxes Schedule**Name:** THE LYDA HILL FOUNDATION**EIN:** 75-2708838

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
AD VALOREM TAXES	18,692	18,692		0
FEDERAL INCOME TAX	5,136	0		0