2949114609521 8

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.**
► **Go to *www.irs.gov/Form990PF* for instructions and the latest information**

OMB No 1545 0052

2017

Open to Public Inspection

For calendar year 2017 or tax year beginning , 2017, and ending ,

Adair Foundation
4722 Shadywood Lane
Dallas, TX 75209

A Employer identification number: 46-1486106

B Telephone number (see instructions): (916) 504-4950

C If exemption application is pending, check here ► ☐

D 1 Foreign organizations, check here ► ☐

2 Foreign organizations meeting the 85% test, check here and attach computation ► ☐

E If private foundation status was terminated under section 507(b)(1)(A), check here ► ☐

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► ☐

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year *(from Part II, column (c), line 16)* ► $ 24,606,634.

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).)

	Line	(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	17.	17.	N/A	
	4 Dividends and interest from securities				
	5 a Gross rents				
	b Net rental income or (loss)				
	6 a Net gain or (loss) from sale of assets not on line 10	496,461.			
	b Gross sales price for all assets on line 6a 976,941.				
	7 Capital gain net income (from Part IV, line 2)		976,641.		
	8 Net short-term capital gain				
	9 Income modifications				
	10 a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule) See Statement 1	14,000.			
	12 **Total.** Add lines 1 through 11	510,478.	976,658.		
OPERATING AND ADMINISTRATIVE EXPENSES	13 Compensation of officers, directors, trustees, etc	0.			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16 a Legal fees (attach schedule) See St 2	15,969.			15,969.
	b Accounting fees (attach sch) See St 3	12,691.	3,173.		9,518.
	c Other professional fees (attach sch) See St 4	55,272.			55,272.
	17 Interest	905.	905.		
	18 Taxes (attach schedule)(see instrs) See Stm 5	45,938.			
	19 Depreciation (attach schedule) and depletion See Stmt 6	378.			
	20 Occupancy				
	21 Travel, conferences, and meetings	3,139.			3,139.
	22 Printing and publications				
	23 Other expenses (attach schedule) See Statement 7	3,388.	421.		2,967.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	137,680.	4,499.		86,865.
	25 Contributions, gifts, grants paid Part XV	881,620.			881,620.
	26 **Total expenses and disbursements.** Add lines 24 and 25	1,019,300.	4,499.		968,485.
	27 Subtract line 26 from line 12:				
	a **Excess of revenue over expenses and disbursements**	-508,822.			
	b **Net investment income** (if negative, enter -0-)		972,159.		
	c **Adjusted net income** (if negative, enter -0-)				

RECEIVED
MAY 24 2018
IRS-OSC
OGDEN, UT
B895

SCANNED JUL 02 2018

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		325,622.	284,572.	284,572.
3 Accounts receivable ►	105.			
Less allowance for doubtful accounts ►			105.	105.
4 Pledges receivable ►				
Less: allowance for doubtful accounts ►				
5 Grants receivable				
6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)				
7 Other notes and loans receivable (attach sch) ►				
Less: allowance for doubtful accounts ►				
8 Inventories for sale or use				
9 Prepaid expenses and deferred charges				
10a Investments — U S and state government obligations (attach schedule)				
b Investments — corporate stock (attach schedule)	Statement 8	15,942,904.	15,462,424.	24,318,993.
c Investments — corporate bonds (attach schedule)				
11 Investments — land, buildings, and equipment: basis ►				
Less accumulated depreciation (attach schedule) ►				
12 Investments — mortgage loans				
13 Investments — other (attach schedule)				
14 Land, buildings, and equipment basis ►	3,342.			
Less: accumulated depreciation (attach schedule) See Stmt 9 ►	378.		2,964.	2,964.
15 Other assets (describe ►)				
16 Total assets (to be completed by all filers — see the instructions Also, see page 1, item I)		16,268,526.	15,750,065.	24,606,634.
LIABILITIES 17 Accounts payable and accrued expenses		10,000.	361.	
18 Grants payable				
19 Deferred revenue				
20 Loans from officers, directors, trustees, & other disqualified persons				
21 Mortgages and other notes payable (attach schedule)				
22 Other liabilities (describe ►)				
23 Total liabilities (add lines 17 through 22)		10,000.	361.	
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.	► X			
27 Capital stock, trust principal, or current funds				
28 Paid-in or capital surplus, or land, bldg, and equipment fund				
29 Retained earnings, accumulated income, endowment, or other funds		16,258,526.	15,749,704.	
30 Total net assets or fund balances (see instructions)		16,258,526.	15,749,704.	
31 Total liabilities and net assets/fund balances (see instructions)		16,268,526.	15,750,065.	

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	16,258,526.
2 Enter amount from Part I, line 27a	2	-508,822.
3 Other increases not included in line 2 (itemize) ►	3	
4 Add lines 1, 2, and 3	4	15,749,704.
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	15,749,704.

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (for example, real estate, 2-story brick warehouse, or common stock, 200 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	publicly traded securities	P	Various	2/27/17
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	976,941.		300.	976,641.
b				
c				
d				
e				

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

	(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	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col. (h))
a				976,641.
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	976,641.
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	0.

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 doesn't qualify under section 4940(e). Do not complete this part

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2016	178,588.	2,700,737.	0.066126
2015	240,638.	1,301,407.	0.184906
2014	186,029.	1,506,977.	0.123445
2013	161,800.	1,515,303.	0.106777
2012			

2	**Total** of line 1, column (d)	2	0.481254
3	Average distribution ratio for the 5-year base period — divide the total on line 2 by 5 0, or by the number of years the foundation has been in existence if less than 5 years	3	0.120314
4	Enter the net value of noncharitable-use assets for 2017 from Part X, line 5	4	19,444,591.
5	Multiply line 4 by line 3	5	2,339,457.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	9,722.
7	Add lines 5 and 6	7	2,349,179.
8	Enter qualifying distributions from Part XII, line 4	8	968,485.

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

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

1 a Exempt operating foundations described in section 4940(d)(2), check here ► [ ] 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	19,443.
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	19,443.
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	19,443.
6 Credits/Payments			
a 2017 estimated tax pmts and 2016 overpayment credited to 2017	6a 22,368.		
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	22,368.
8 Enter any **penalty** for underpayment of estimated tax Check here [X] if Form 2220 is attached		8	78.
9 **Tax due** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ►		9	0.
10 **Overpayment** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ►		10	2,847.
11 Enter the amount of line 10 to be: **Credited to 2018 estimated tax** ► 2,847.	**Refunded** ►	11	0.

Part VII-A — Statements Regarding Activities

		Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes? See the instructions for the definition	1b		X
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			
c Did the foundation file **Form 1120-POL** for this year?	1c		X
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?	2		X
If 'Yes,' attach a detailed description of the activities			
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	X	
4 a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b If 'Yes,' has it filed a tax return on **Form 990-T** for this year?	4b	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?	5		X
If 'Yes,' attach the statement required by General Instruction T			
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	X	
7 Did the foundation have at least $5,000 in assets at any time during the year? If 'Yes,' complete Part II, col. (c), and Part XV	7	X	
8 a Enter the states to which the foundation reports or with which it is registered See instructions ► TX			
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G*? If 'No,' attach explanation	8b	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2017 or the tax year beginning in 2017? See the instructions for Part XIV If 'Yes,' complete Part XIV	9		X
10 Did any persons become substantial contributors during the tax year? If 'Yes,' attach a schedule listing their names and addresses	10		X

2

Part VII-A Statements Regarding Activities *(continued)*

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' attach schedule See instructions	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement See instructions	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
	Website address ► adairfoundation.org			
14	The books are in care of ► Tammi Adair Telephone no ► (916) 504-4950			
	Located at ► 4722 Shadywood Lane Dallas TX ZIP + 4 ► 75209			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** – check here N/A ► ☐			
	and enter the amount of tax-exempt interest received or accrued during the year ► 15 N/A			
16	At any time during calendar year 2017, 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?	16		X
	See the instructions for exceptions and filing requirements for FinCEN Form 114 If 'Yes,' enter the name of the foreign country ►			

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

			Yes	No
	File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.			
1 a	During the year, did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ 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	1 b		X
	Organizations relying on a current notice regarding disaster assistance, check here ► ☐			
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 2017?	1 c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))			
a	At the end of tax year 2017, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2017? ☐ 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)	2 b	N/A	
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here			
	► 20__ , 20__ , 20__ , 20__			
3 a	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 2017 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 2017)	3 b	N/A	
4 a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2017?	4 b		X

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

			Yes	No
5 a During the year, did the foundation pay or incur any amount to				
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	[ ] Yes [X] 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 [X] No			
(3) Provide a grant to an individual for travel, study, or other similar purposes?	[ ] Yes [X] No			
(4) Provide a grant to an organization other than a charitable, etc , organization described in section 4945(d)(4)(A)? See instructions	[X] 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 [X] 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		**5 b**		X
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?	[X] Yes [ ] No			
If 'Yes,' attach the statement required by Regulations section 53 4945–5(d)	See Statement 10			
6 a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	[ ] Yes [X] No			
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		**6 b**		X
If 'Yes' to 6b, file Form 8870				
7 a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	[ ] Yes [X] No			
b If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction?	N/A	**7 b**		

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, and foundation managers and their compensation. See instructions.

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
Tammi L. Adair 4722 Shadywood Lane Dallas, TX 75209	Pres/Directo 10.00	0.	0.	0.
A. Jayson Adair 4722 Shadywood Lane Dallas, TX 75209	VP/Director 2.00	0.	0.	0.
Garrett Adair 4722 Shadywood Lane Dallas, TX 75209	Director 2.00	0.	0.	0.
Jacquilyne Adair 4722 Shadywood Lane Dallas, TX 75209	Sec./Directo 2.00	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1 – see instructions). If none, enter 'NONE.'

(a) Name and address of each employee paid more than $50,000	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
None				

Total number of other employees paid over $50,000 ► 0

Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** *(continued)*

3 Five highest-paid independent contractors for professional services. See instructions. If none, enter 'NONE.'

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
None		
Total number of others receiving over $50,000 for professional services ►		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 N/A	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3 ►	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	19,114,852.
b Average of monthly cash balances		1b	625,850.
c Fair market value of all other assets (see instructions)		1c	
d **Total** (add lines 1a, b, and c)		1d	19,740,702.
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	19,740,702.
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)		4	296,111.
5 **Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	19,444,591.
6 **Minimum investment return.** Enter 5% of line 5		6	972,230.

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	972,230.
2a Tax on investment income for 2017 from Part VI, line 5	2a 19,443.		
b Income tax for 2017 (This does not include the tax from Part VI)	2b		
c Add lines 2a and 2b		2c	19,443.
3 Distributable amount before adjustments Subtract line 2c from line 1		3	952,787.
4 Recoveries of amounts treated as qualifying distributions		4	
5 Add lines 3 and 4		5	952,787.
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	952,787.

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	968,485.
b Program-related investments — total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 **Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	968,485.
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 **Adjusted qualifying distributions.** Subtract line 5 from line 4	6	968,485.

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 2016	(c) 2016	(d) 2017
1 Distributable amount for 2017 from Part XI, line 7					952,787.
2 Undistributed income, if any, as of the end of 2017					
a Enter amount for 2016 only				0.	
b Total for prior years 20 ___, 20 ___, 20 ___			0.		
3 Excess distributions carryover, if any, to 2017:					
a From 2012					
b From 2013	87,354.				
c From 2014	110,680.				
d From 2015	180,038.				
e From 2016	53,648.				
f **Total** of lines 3a through e		431,720.			
4 Qualifying distributions for 2017 from Part XII, line 4 ► $ 968,485.					
a Applied to 2016, 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 2017 distributable amount					952,787.
e Remaining amount distributed out of corpus		15,698.			
5 Excess distributions carryover applied to 2017 (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		447,418.			
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 2016 Subtract line 4a from line 2a Taxable amount — see instructions				0.	
f Undistributed income for 2017 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2018					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 2012 not applied on line 5 or line 7 (see instructions)		0.			
9 **Excess distributions carryover to 2018.** Subtract lines 7 and 8 from line 6a		447,418.			
10 Analysis of line 9:					
a Excess from 2013	87,354.				
b Excess from 2014	110,680.				
c Excess from 2015	180,038.				
d Excess from 2016	53,648.				
e Excess from 2017	15,698.				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2017, enter the date of the ruling ►

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

	Tax year	Prior 3 years			
	(a) 2017	**(b)** 2016	**(c)** 2015	**(d)** 2014	**(e)** Total
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a 'Assets' alternative test – enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b 'Endowment' alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c 'Support' alternative test – enter.					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000) (See section 507(d)(2).)

See Statement 11

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

None

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

Check here ► [X] 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 to individuals or organizations under other conditions, complete items 2a, b, c, and d See instructions

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 Name and address (home or business)	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
a *Paid during the year*				
See Statement 12				
Total			► **3a**	881,620.
b *Approved for future payment*				
Total			► **3b**	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	17.	
4 Dividends and interest from securities					
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	496,461.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a Form 4720 recoveries					14,000.
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)				496,478.	14,000.
13 **Total.** Add line 12, columns (b), (d), and (e)				13	510,478.

(See worksheet in line 13 instructions to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)
11a.	Recoveries of taxable expenditures reported on 2013-2016 Forms 4720

Part XVII Information Regarding Transfers to and Transactions and Relationships With Noncharitable Exempt Organizations

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1 a (1)		X
	(2) Other assets	1 a (2)		X
b	Other transactions.			
	(1) Sales of assets to a noncharitable exempt organization	1 b (1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1 b (2)		X
	(3) Rental of facilities, equipment, or other assets	1 b (3)		X
	(4) Reimbursement arrangements	1 b (4)		X
	(5) Loans or loan guarantees	1 b (5)		X
	(6) Performance of services or membership or fundraising solicitations	1 b (6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1 c		X

d If the answer to any of the above is 'Yes,' complete the following schedule Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
N/A			

2 a 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
N/A		

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

Jan Adair — 5/10/18 — President

Signature of officer or trustee — Date — Title

May the IRS discuss this return with the preparer shown below? See instructions. ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☒ if self-employed	PTIN
Evelyn H. Moses	EHM	5/10/18	X	P01400635

Firm's name ► Evelyn H. Moses, CPA — Firm's EIN ►

Firm's address ► P.O. Box 12685, Dallas, TX 75225 — Phone no (214) 361-2323

Statement 5
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Excise tax paid current year	$ 20,000.			
Excise tax paid prior years	25,938.			
Total	$ 45,938.	$ 0.		$ 0.

Statement 6
Form 990-PF, Part I, Line 19
Allocated Depreciation

Date Acquired	Cost Basis	Prior Yr Depr	Method	Rate	Life	Current Yr Depr	Net Invest Income	Adjusted Net Income
Apple 13.3 8GB laptop								
3/05/17	1,968		S/L	0.175		344	0	0
MB Air Apple laptop								
10/22/17	1,374		S/L	0.025		34	0	0

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

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Bank service charges	$ 421.	$ 421.		
Internet and website expenses	426.			$ 426.
Miscellaneous	3.			3.
Postage and delivery	404.			404.
Repairs and maintenance	498.			498.
Subscriptions	884.			884.
Supplies	752.			752.
Total	$ 3,388.	$ 421.		$ 2,967.

Statement 8
Form 990-PF, Part II, Line 10b
Investments - Corporate Stocks

Corporate Stocks	Valuation Method	Book Value	Fair Market Value
563,070 shs Copart Inc. common	Cost	$ 15,462,424.	$ 24,318,993.
	Total	$ 15,462,424.	$ 24,318,993.

Statement 9
Form 990-PF, Part II, Line 14
Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value	Fair Market Value
Machinery and Equipment	$ 3,342.	$ 378.	$ 2,964.	$ 2,964.
Total	$ 3,342.	$ 378.	$ 2,964.	$ 2,964.

Statement 10
Form 990-PF, Part VII-B, Line 5c
Expenditure Responsibility

Grantee Name:	The Copart Private Foundation
Address:	14185 Dallas Parkway, Suite 300
Address:	Dallas, TX 75254
Grant Date:	7/13/2017
Grant Amount:	$ 100000
Grant Purpose:	To fund scholarships under Grantee's approved procedures
Amt. Expended by Grantee:	$ 82995
Any Diversion by Grantee:	No
Dates of Reports by Grantee:	05/01/2018
Date of Verification:	
Results of Verification:	The Foundation reviewed the grant reports submitted by the Grantee, but did not undertake any verification thereof, as there was no reason to doubt their accuracy or reliability.

Statement 11
Form 990-PF, Part XV, Line 1a
Foundation Managers - 2% or More Contributors

Tammi L. Adair
A. Jayson Adair

Statement 12
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Foundation Status	Purpose of Grant	Amount
Amador Pregnancy Help Center 1001 Broadway, Suite 102 Jackson CA 95642	N/A	PC	Funding for marketing intiatives in Amador County and the launch of the "Earn While you Learn" program.	$ 5,000.
American Bible Society 101 N. Independence Mall East FL 8 Philadelphia PA 19106	N/A	PC	Funding for the translation of God's Word for China's rural church.	25,220.
Baylor Health Care System Foundation 3600 Gaston Ave, Barnett Tower, 100 Dallas TX 75246	N/A	PC	Special event funding to purchase 3D Mammography equipment to improve early detection of breast cancer.	25,000.
Bibles For Children, Inc. 771 County Road 4 Oxford NY 13830	N/A	PC	Funding for bibles to be distributed around the United States.	1,000.
Chase's Place 620 N. Coit Road, Suite 2176 Richardson TX 75080	N/A	PC	Funding for scholarships for developmentally disabled students to attend the program.	15,000.
Child Evangelism Fellowship P. O. Box 348 Warrenton MO 63383	N/A	PC	Funding to be used for CEF's programming in Armenia ($5,000) and general operations ($2,000).	7,000.

Statement 12 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Found-ation Status	Purpose of Grant	Amount
Children's Medical Center Foundation 2777 Stemmons Freeway, Suite 700 Dallas TX 75207	N/A	PC	Funding to support medically oriented camps for children with serious or chronic illnesses or injuries.	$ 5,000.
Community Bible Church of Vallejo 710 Broadway Street Vallejo CA 94590	N/A	PC	Funding for "Exalting Christ Ministries International", supporting missionaries around the world.	19,000.
Cook Children's Health Foundation 801 7th Avenue Fort Worth TX 76104	N/A	PC	General operating funds for the "Childlife Department".	3,500.
Copart Private Foundation 14185 Dallas Parkway, Suite 300 Dallas TX 75254	N/A	PF	Funding for the Copart Education Fund.	100,000.
Dallas Mission for Life 1100 Cadiz Street Dallas TX 75215	N/A	PC	Funding for general operations to serve men, women, and children who are victims of homelessness in the DFW area.	30,000.
Date Palm Consulting 7210 Virginia Parkway McKinney TX 75071	N/A	PC	Funding for missions trips.	5,000.
Emily's Place, Inc. P. O. Box 860911 Plano TX 75074	N/A	PC	Funding for general operations to serve victims of domestic violence.	2,500.

Statement 12 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Foundation Status	Purpose of Grant	Amount
Exodus Ministries 4630 Munger Avenue, #100 Dallas TX 75204	N/A	PC	Funding for a 15 passenger van to transport mothers and children to and from activities ($13,300) and funding for general operations ($5,000).	$ 18,300.
Faith Prayer and Tract League 2627 Elmridge Dr. NW Grand Rapids MI 49534	N/A	PC	Funding for general operations.	500.
Gideons International P. O. Box 140800 Nashville TN 37214	N/A	PC	Funding for bible distributions across 201 countries.	22,000.
Highland Park United Methodist Church 3300 Mockingbird Lane Dallas TX 75205	N/A	PC	Funding for general operations ($110,100) and funding for the capital campaign to construct a new family activity center, which will serve families and youth, including the special needs ministry ($100,000).	210,100.
Hope Farm 865 E. Ramsey Avenue Fort Worth TX 76104	N/A	PC	Funding for the "Leadership Development Program" and the "Mother's Resource Initiatives".	30,000.

Statement 12 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Foundation Status	Purpose of Grant	Amount
Human Coalition 7800 N. Dallas Parkway, Suite 550 Dallas TX 75024	N/A	PC	To fund continuum of care for clients in the Dallas and Fort Worth Women's Care Clinics.	$ 10,000.
International Justice Mission P. O. Box 58147 Washington DC 20037	N/A	PC	Funding for 1 year of investigation expenses as IJM combats sex trafficking across India.	80,000.
Journey Church Sacramento 5801 2nd Avenue Sacramento CA 95817	N/A	PC	Funding for the Dominican Republic mission trip.	10,000.
Just Say Yes P. O. Box 670863 Dallas TX 75367	N/A	PC	Funding for the "Empower to Choose the Best" program, teaching abstinence to middle school students.	10,000.
Keep Believing Ministries P. O. Box 257 Elmhurst IL 60126	N/A	PC	Funding to provide free Biblical resources to equip pastors.	500.
Leman Academy of Excellence 7720 N. Silverbell Road Tuscon AZ 85743	N/A	PC	Funding for the greatest needs at a tuition free charter school in two locations in Arizona.	25,000.
LIFE International 72 Ransom Avenue NE Grand Rapids MI 49503	N/A	PC	Funding to raise general funds for pro-life programming.	10,000.
Medihnealm Orthodox Church 1720 Gas Thomasson Road Dallas TX 75228	N/A	PC	Funding for general operations.	5,000.

Statement 12 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Foundation Status	Purpose of Grant	Amount
Mount Zion Bible Church 2603 West Wright St. Pensacola FL 32505	N/A	PC	Funding for the Chapel Library publications ministry.	$ 1,000.
National Alliance on Mental Illness/Mass 529 Main Street, Suite 1M17 Boston MA 02129	N/A	PC	Funding for general operations.	500.
New Tribes Mission (Ethnos360, Inc.) 312 West 1st Street Sanford FL 32771	N/A	PC	Funding to support missionaries spreading the Gospel in various parts of the world.	500.
Operation Blessing International P. O. Box 2636 Virginia Beach VA 23450	N/A	PC	Funding for Hurricane Harvey relief efforts in Houston, Texas.	25,000.
Patriots for Veterans, Inc. P. O. Box 8608 Woodland CA 95776	N/A	PC	Funding for veterans programming.	10,000.
Pregnancy Care Center of the North Coast 2390 Myrtle Avenue Eureka CA 95501	N/A	PC	Funding for pro-life marketing initiatives in Northern California.	5,000.
Preston Trail Community Church 8055 Independence Parkway Frisco TX 75035	N/A	PC	Funding for general operations.	2,500.
Ronald McDonald House of Dallas 4707 Bengal Street Dallas TX 75235	N/A	PC	Funding for the annual Halloween Party and Holiday Tree Lighting events.	3,500.

Statement 12 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Found-ation Status	Purpose of Grant	Amount
Save the Storks 10807 New Allegiance Drive, #150 Colorado Springs CO 80921	N/A	PC	Funding for a mobile medical unit for Silent Voices Pregnancy Center in Chula Vista, California.	$ 10,000.
Serving His Children P. O. Box 285 Moneta VA 24121	N/A	PC	Funding for general operations.	2,500.
Silver Ring Thing 307 Duff Road Sewickley PA 15143	N/A	PC	Funding for 5 events in Texas and California, reaching 2000+ students, parents and leaders with the message of purity and the Gospel of Jesus Christ.	10,000.
Solano Alpha Crisis Pregnancy Center 138 S. Orchard Avenue Vacaville CA 95688	N/A	PC	Funding for general operations and the purchase of IPads used by medical staff working with clients to educate them on fetal development, abortion risks, and other life-affirming information.	40,000.
Southwestern Medical Foundation 3889 Maple Avenue, Suite 100 Dallas TX 75219	N/A	PC	Funding for "The Cary Council Fund", supporting early stage research ($15,000) and general operations ($10,000).	25,000.

Statement 12 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Found-ation Status	Purpose of Grant	Amount
St. Jude's Childrens Hospital 501 St. Jude's Place Memphis TN 38105	N/A	PC	Funding for general operations.	$ 500.
Texas Christian University TCU Box 297044 Fort Worth TX 75219	N/A	PC	Funding for the Neeley School of Business for the "Values and Ventures Competition".	5,000.
Texas Scottish Rite Hospital 2222 Welborn Street Dallas TX 75219	N/A	PC	Funding for the purchase of a Vecta Sensory Station, to better serve patients with sensory processing issues($3,500), and for the Motor Clinic, Orthotics and Neurology Departments ($10,000).	13,500.
The Leaven 2220 Boynton Avenue, Ste A Fairfield CA 94533	N/A	PC	Funding for the Afterschool Reading Program.	15,000.
Thrive Women's Clinic 6500 Greenville Avenue, Suite 600 Dallas TX 75206	N/A	PC	Funding for the Thrive: 280 Program, where nurses educate middle and high schoolers on when human life begins.	10,000.
Tree of Life 7730 Morro Road, Suite 600 Atascadero CA 93422	N/A	PC	Funding to expand the Post-Abortion Counseling & Education Department.	5,000.

Statement 12 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Foundation Status	Purpose of Grant	Amount
Vitae Foundation P. O. Box 791 Jefferson City MO 65102	N/A	PC	Funding for marketing initiatives for Thrive Women's Clinic and other pro-life clinics in North Texas.	$ 10,000.
Wipe Every Tear, Inc. 641 W. Franklin Rd, #20 Meridian IN 83642	N/A	PC	Funding to support missionaries who are offering hope and healing to women who have been victims of sex trafficking.	2,500.
Wycliffe Bible Translators P. O. Box 628200 Orlando FL 32862	N/A	PC	Funding for general operations.	10,000.
			Total	$ 881,620.

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

Statement 2
Form 990-PF, Part I, Line 16a
Legal Fees

	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Legal services	$ 15,969.			$ 15,969.
Total	$ 15,969.	$ 0.		$ 15,969.

Statement 3
Form 990-PF, Part I, Line 16b
Accounting Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Accounting and tax preparation	$ 12,691.	$ 3,173.		$ 9,518.
Total	$ 12,691.	$ 3,173.		$ 9,518.

Statement 4
Form 990-PF, Part I, Line 16c
Other Professional Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Clerical and bookkeeping	$ 12,736.			$ 12,736.
Grants and office adminstration	37,449.			37,449.
Research services	1,901.			1,901.
Writing and editing services	3,186.			3,186.
Total	$ 55,272.	$ 0.		$ 55,272.