
**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.

2018

Open to Public Inspection

For calendar year 2018 or tax year beginning

, 2018, and ending

 Merrymac McKinley Foundation, Inc.
 2311 Cedar Springs Rd. #350
 Dallas, TX 75201

G Check all that apply

<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial return of a former public charity
<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return
<input type="checkbox"/> Address change	<input type="checkbox"/> Name change

H Check type of organization

<input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation	<input type="checkbox"/> Other
<input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust	<input type="checkbox"/> Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, column (c), line 16)
 J Accounting method

<input checked="" type="checkbox"/> Cash	<input type="checkbox"/> Accrual
<input type="checkbox"/> Other (specify)	

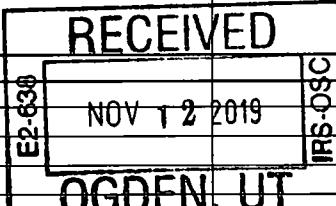
 (Part I, column (d) must be on cash basis)

► \$ 3,617,849.

A	Employer identification number
74-2457886	
B	Telephone number (see instructions)
(214) 922-9033	
C	If exemption application is pending, check here ► <input type="checkbox"/>
D	1 Foreign organizations, check here ► <input type="checkbox"/>
2 Foreign organizations meeting the 85% test, check here and attach computation ► <input type="checkbox"/>	
E	If private foundation status was terminated under section 507(b)(1)(A), check here ► <input type="checkbox"/>
F	If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► <input type="checkbox"/>

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)
	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	2,777.	2,777.	N/A	
	4 Dividends and interest from securities	99,629.	99,629.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	76,064.			
	b Gross sales price for all assets on line 6a	230,675.			
	7 Capital gain net income (from Part IV, line 2)		76,064.		
	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)				
	See Statement 1	10.			
	12 Total. Add lines 1 through 11	178,480.	178,470.		
Revenue	13 Compensation of officers, directors, trustees, etc.	0.			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach sch) See St 2	11,784.	5,267.		
	c Other professional fees (attach sch) See St 3	7,336.	7,336.		
	17 Interest				
	18 Taxes (attach schedule)(see instrs) See Stm 4	2,833.	683.		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
Operating and Administrative Expenses	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)				
	See Statement 5	10,588.	178.		410.
	24 Total operating and administrative expenses. Add lines 13 through 23	32,541.	13,464.		6,927.
	25 Contributions, gifts, grants paid	127,617.			127,617.
	26 Total expenses and disbursements Add lines 24 and 25	160,158.	13,464.		134,544.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	18,322.			
	b Net investment income (if negative, enter -0-)		165,006.		
	c Adjusted net income (if negative, enter -0-)				



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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	37,445.		
	2	Savings and temporary cash investments	1,248,552.	290,831.	290,831.
	3	Accounts receivable	71.		
		Less allowance for doubtful accounts	50.	71.	71.
	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 6	1,679,345.	2,492,812.	3,151,367.
	c	Investments – corporate bonds (attach schedule) Statement 7		200,000.	173,200.
	11	Investments – land, buildings, and equipment basis			
Liabilities		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 ▶ See Statement 8)	2,380.	2,380.	2,380.
	16	Total assets (to be completed by all filers – see the instructions Also, see page 1, item I)	2,967,772.	2,986,094.	3,617,849.
	17	Accounts payable and accrued expenses			
	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)	0.	0.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26, and lines 30 and 31.		▶ <input type="checkbox"/>		
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.		▶ <input checked="" type="checkbox"/>		
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	2,967,772.	2,986,094.	
	30	Total net assets or fund balances (see instructions)	2,967,772.	2,986,094.	
	31	Total liabilities and net assets/fund balances (see instructions)	2,967,772.	2,986,094.	

Part III **Analysis of Changes in Net Assets or Fund Balances**

1	Total net assets or fund balances at beginning of year – Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	2,967,772.
2	Enter amount from Part I, line 27a	2	18,322.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	2,986,094.
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	2,986,094.

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 shs MLC Co)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1 a publicly traded securities		P	Various	Various
b long-term capital gain dist.		P	Various	Various
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 149,625.		154,611.	-4,986.	
b 81,050.			81,050.	
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				-4,986.
b				81,050.
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	76,064.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)			3	0.
If gain, also enter in Part I, line 8, column (c) See instructions If (loss), enter -0- in Part I, line 8				

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))
2017	181,698.	3,313,742.	0.054832
2016	301,646.	2,871,924.	0.105033
2015	113,761.	2,203,554.	0.051626
2014	35,508.	1,628,917.	0.021799
2013	74,285.	1,570,872.	0.047289

- 2 Total of line 1, column (d)
- 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
- 4 Enter the net value of noncharitable-use assets for 2018 from Part X, line 5
- 5 Multiply line 4 by line 3
- 6 Enter 1% of net investment income (1% of Part I, line 27b)
- 7 Add lines 5 and 6
- 8 Enter qualifying distributions from Part XII, line 4

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

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 ► <input type="checkbox"/> and enter 'N/A' on line 1	
Date of ruling or determination letter (attach copy of letter if necessary – see instructions)	
1 b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b	1 3,300.
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 3,300.
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 3,300.
6 Credits/Payments	
a 2018 estimated tax pmts and 2017 overpayment credited to 2018	6 a 2,275.
b Exempt foreign organizations – tax withheld at source	6 b
c Tax paid with application for extension of time to file (Form 8868)	6 c 1,200.
d Backup withholding erroneously withheld	6 d
7 Total credits and payments Add lines 6a through 6d	7 3,475.
8 Enter any penalty for underpayment of estimated tax Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8 6.
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	10 169.
11 Enter the amount of line 10 to be Credited to 2019 estimated tax ► 169. 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?	1 a	X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes? See the instructions for the definition	1 b	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?	1 c	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? If 'Yes,' attach a detailed description of the activities	2	X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If 'Yes,' attach a conformed copy of the changes	3	X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year? b If 'Yes,' has it filed a tax return on Form 990-T for this year?	4 a	X
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If 'Yes,' attach the statement required by General Instruction T	4 b	N/A
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?	5	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	6	X
8 a Enter the states to which the foundation reports or with which it is registered See instructions ► NY TX	7	X
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	8 b	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 2018 or the tax year beginning in 2018? 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

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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	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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	<input type="checkbox"/> 11	<input checked="" type="checkbox"/> X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address	<input type="checkbox"/> 12	<input checked="" type="checkbox"/> X
14	The books are in care of ► <u>Mark McKinley</u> Telephone no ► <u>(214) 922-9033</u> Located at ► <u>2311 Cedar Springs Rd., Suite 350 Dallas TX</u> ZIP + 4 ► <u>75201</u>	<input type="checkbox"/> 13	<input checked="" type="checkbox"/> X
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	<input type="checkbox"/> N/A	<input type="checkbox"/> N/A ► <u>15</u> <input type="checkbox"/> N/A
16	At any time during calendar year 2018, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114. If 'Yes,' enter the name of the foreign country ►	<input type="checkbox"/> 16	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.

1 a	During the year, did the foundation (either directly or indirectly)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
1 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 ►	<input type="checkbox"/> N/A	
1 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 2018?	<input type="checkbox"/> 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 2018, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2018? If 'Yes,' list the years ► <u>20 __ , 20 __ , 20 __ , 20 __</u>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement — see instructions)	<input type="checkbox"/> 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 ► <u>20 __ , 20 __ , 20 __ , 20 __</u>		
3 a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b	If 'Yes,' did it have excess business holdings in 2018 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 2018)	<input type="checkbox"/> N/A	
4 a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	<input type="checkbox"/> 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 2018?	<input type="checkbox"/> 4 b <input checked="" type="checkbox"/> X	

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

5 a During the year, did the foundation pay or incur any amount to

 Yes No

(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 Nob If any answer is 'Yes' to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance?

See instructions

Organizations relying on a current notice regarding disaster assistance, check here

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

If 'Yes,' attach the statement required by Regulations section 53 4945–5(d)

6 a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

 Yes No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

If 'Yes' to 6b, file Form 8870

 Yes No

7 a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

 Yes No

b If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

8 Is the foundation subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration

or excess parachute payment(s) during the year?

 Yes No**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
Mark C. McKinley 2311 Cedar Springs Rd, Ste 350 Dallas, TX 75201	Pres/Treas/Di 10.00	0.	0.	0.
Karla K. McKinley 2311 Cedar Springs Rd, Ste 350 Dallas, TX 75201	VP/Secr/Dir. 5.00	0.	0.	0.
John K. McKinley, Jr. 2311 Cedar Springs Rd, Ste 350 Dallas, TX 75201	VP/Director 1.00	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	-----	
3	-----	

All other program-related investments. See instructions

3	-----	

Total. Add lines 1 through 3

0

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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	3,589,347.
b Average of monthly cash balances	1b	463,298.
c Fair market value of all other assets (see instructions)	1c	2,380.
d Total (add lines 1a, b, and c)	1d	4,055,025.
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	4,055,025.
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	60,825.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	3,994,200.
6 Minimum investment return. Enter 5% of line 5	6	199,710.

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	199,710.
2a Tax on investment income for 2018 from Part VI, line 5	2a	3,300.
b Income tax for 2018 (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	3,300.
3 Distributable amount before adjustments Subtract line 2c from line 1	3	196,410.
4 Recoveries of amounts treated as qualifying distributions	4	
5 Add lines 3 and 4	5	196,410.
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	196,410.

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	134,544.
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	134,544.
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	134,544.

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 2017	(c) 2017	(d) 2018
1 Distributable amount for 2018 from Part XI, line 7				196,410.
2 Undistributed income, if any, as of the end of 2018			66,294.	
a Enter amount for 2017 only		0.		
b Total for prior years 20 ___, 20 ___, 20 ___,				
3 Excess distributions carryover, if any, to 2018				
a From 2013				
b From 2014				
c From 2015				
d From 2016				
e From 2017				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2018 from Part XII, line 4 ► \$ 134,544.			66,294.	
a Applied to 2017, but not more than line 2a				
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 2018 distributable amount				68,250.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2018 (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		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 2017 Subtract line 4a from line 2a Taxable amount – see instructions			0.	
f Undistributed income for 2018 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2019				128,160.
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 2013 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2019. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2014				
b Excess from 2015				
c Excess from 2016				
d Excess from 2017				
e Excess from 2018				

BAA

Form 990-PF (2018)

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 2018, enter the date of the ruling				<input type="checkbox"/>
1 b	Check box to indicate whether the foundation is a private operating foundation described in section				<input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)
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				
2 b	85% of line 2a				
2 c	Qualifying distributions from Part XII, line 4 for each year listed				
2 d	Amounts included in line 2c not used directly for active conduct of exempt activities				
2 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				
3 a	'Assets' alternative test – enter				
3 a (1)	Value of all assets				
3 a (2)	Value of assets qualifying under section 4942(j)(3)(B)(i)				
3 b	'Endowment' alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed				
3 c	'Support' alternative test – enter:				
3 c (1)	Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)				
3 c (2)	Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(ii)				
3 c (3)	Largest amount of support from an exempt organization				
3 c (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))

None

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 ► 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

See Statement 9

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

See Statement for Line 2a

c Any submission deadlines

See Statement for Line 2a

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

See Statement for Line 2a

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)				
<i>a Paid during the year</i>				
Statement 10	N/A		Statement 10	127,617.
Total			► 3a	127,617.
<i>b Approved for future payment</i>				
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) Exclu- sion 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	2,777.	
4 Dividends and interest from securities			14	99,629.	
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	76,064.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a <u>Excise tax refund</u>					10.
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				178,470.	10.
13 Total. Add line 12, columns (b), (d), and (e)				13	178,480.

(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. <u>2016 excise tax refund</u>	

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) (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			

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) (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	<p>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.</p> <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="flex: 1; text-align: center;">  <p>Signature of officer or trustee</p> </div> <div style="flex: 1; text-align: center;"> <p>Date</p> <p>10/15/19</p> </div> <div style="flex: 1; text-align: center;"> <p>Title</p> <p>Pres/Treas</p> </div> </div> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>May the IRS discuss this return with the preparer shown below? See instructions.</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> </div>		
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Signature of officer or trustee		Date	Date	△ Yes	No
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input checked="" type="checkbox"/> if self employed	PTIN
	Evelyn H. Moses	<i>Evelyn H. Moses</i>	9/27/19	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		

BAA

Merrymac McKinley Foundation, Inc.

74-2457886

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

	(a) Revenue per Books	(b) Net Investment Income	(c) Adjusted Net Income
Excise tax refund	\$ 10.	\$ 0.	\$ 0.
Total	<u>\$ 10.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

Statement 2
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 services	\$ 9,284.	\$ 4,642.	\$ 4,642.	
Tax return preparation services	2,500.	625.		1,875.
Total	<u>\$ 11,784.</u>	<u>\$ 5,267.</u>		<u>\$ 6,517.</u>

Statement 3
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
Investment management fees	\$ 7,336.	\$ 7,336.		
Total	<u>\$ 7,336.</u>	<u>\$ 7,336.</u>		<u>\$ 0.</u>

Statement 4
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Excise taxes paid	\$ 2,150.			
Foreign taxes paid	683.	\$ 683.		
Total	<u>\$ 2,833.</u>	<u>\$ 683.</u>		<u>\$ 0.</u>

Statement 5
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	\$ 150.			\$ 150.
Filing fees	250.			250.
Miscellaneous	178.	\$ 178.		
Other grants	10,000.			
Postage	10.			10.
Total	\$ 10,588.	\$ 178.		\$ 410.

Statement 6
Form 990-PF, Part II, Line 10b
Investments - Corporate Stocks

Corporate Stocks	Valuation Method	Book Value	Fair Market Value
Chevron Texaco	Cost	\$ 141,751.	\$ 793,297.
Exxon Mobil Corp	Cost	38,989.	43,642.
Honeywell Intl Inc.	Cost	196,669.	264,240.
JPMorgan Chase & Co	Cost	18,025.	48,810.
Phillip Morris Intl Inc.	Cost	12,175.	31,711.
AQR Multi-Strategy Alternative Fd	Cost	5,010.	4,092.
AIG Focused Div Strategy FD	Cost	76,729.	66,856.
AQR Long Short Equity Cl 1	Cost	4,843.	3,924.
Blackstone Alt Multistrategy Fd Cl 1	Cost	38,643.	37,113.
Ishares Russell 1000 Growth	Cost	98,418.	114,284.
Ishares Russell 1000 Value	Cost	130,906.	128,818.
Morgan Stanley Growth Portfolio	Cost	63,640.	58,152.
Ivy Emerging Mkts Equity Fd CL 1	Cost	23,589.	18,463.
Ishares Russell 2000 Growth	Cost	22,258.	21,672.
Ishares Russell 2000 Value	Cost	23,312.	21,293.
Ishares Inc Core MSCI Emerging Mkts ETF	Cost	40,262.	37,579.
Ishares Tr Core MSCI EAFE ETF	Cost	100,395.	87,890.
Lazard GLBL LSTD Infrastructure Port	Cost	36,485.	31,903.
PIMCO Short Term Fd Cl 12	Cost	70,883.	70,123.
The Oakmark INTL Fund Inc	Cost	59,452.	44,968.
Vanguard US Growth Fd Admiral	Cost	30,987.	45,015.
Vanguard Wellington Fd Admiral	Cost	111,976.	137,159.
Vanguard Windsor II Fd Adm	Cost	809,776.	758,994.
Vanguard 500 Index Fd Adm	Cost	31,145.	48,457.
ALPS Alerian MLP ETF	Cost	113,898.	87,300.
PIMCO Low Duration Inc. Fd	Cost	6,297.	6,228.
PIMCO Income Fund CL 2	Cost	2,108.	2,066.
Residio Technologies Inc.	Cost	5,547.	6,843.
Targa Resources Corp	Cost	47,100.	36,020.
Dynagas Lng Partners LP	Cost	46,270.	20,220.
Knot Offshore Partners LP	Cost	39,777.	35,860.
Hoegh LNG Partners	Cost	45,497.	38,375.
Total	\$ 2,492,812.	\$ 3,151,367.	

Merrymac McKinley Foundation, Inc.

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Statement 7
Form 990-PF, Part II, Line 10c
Investments - Corporate Bonds

<u>Corporate Bonds</u>	Valuation Method	Book Value	Fair Market Value
Intl Bkt LIRN ISS BARC PART due 12/23/19	Cost	\$ 200,000.	\$ 173,200.
	Total	\$ 200,000.	\$ 173,200.

Statement 8
Form 990-PF, Part II, Line 15
Other Assets

	Book Value	Fair Market Value
Art	\$ 2,380.	\$ 2,380.
Total	\$ 2,380.	\$ 2,380.

Statement 9
Form 990-PF, Part XV, Line 2a-d
Application Submission Information

Name of Grant Program: Merrymac McKinley Foundation, Inc.
Name: Mark McKinley
Care Of:
Street Address: 2311 Cedar Springs Rd, Suite 350
City, State, Zip Code: Dallas, TX 75201
(214) 922-9033
Telephone:
E-Mail Address: vsmith@mk-resources.com
Form and Content: None
Submission Deadlines: None
Restrictions on Awards: None

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Federal Statements

Client MERRIMAC

Merrymac McKinley Foundation, Inc.

74-2457886

Statement 10

Form 990-PF, Part XV, Line 3a

Grants and Contributions Paid During the Year

Recipient <u>Name and address (home or business)</u>	Donee <u>Relationship</u>	Foundation <u>Status</u>	<u>Purpose of grant or contribution</u>	<u>Amount</u>
Advisory Board of Booker T Washington High School P O Box 192648 Dallas, TX 75219	N/A	PC	Student development in the performing and visual arts	\$5,000 00
AMFAR, Foundation for Aids Research 120 Wall Street, 13th Floor New York, NY 10005	N/A	PC	Worldwide AIDS research initiatives	\$2,500.00
Baylor Health Care System Foundation 3600 Gaston Avenue, Barnett Tower #100 Dallas, TX 75246	N/A	PC	Breast cancer research/Celebrating Women	\$20,000 00
Center for Faithwalk Leadership 198 White Star Point Spartanburg, SC 29301	N/A	PC	Support for the Lead Like Jesus Core Mission Fund	\$20,000 00
The Crystal Charity Ball 3838 Oak Lawn Ave, Suite L150 Dallas, TX 75219	N/A	PC	Towards the Crystal Charity Ball benefiting local Dallas charities providing services to children in the community	\$5,000 00
Darien High School 182 N Shelmore Blvd Mt Pleasant, SC 29464	N/A	PC	Sponsorship of the Darien High School Class of 74 Scholarship Fund	\$2,000 00
Dallas 24 Hour Club 4636 Ross Avenue Dallas, TX 75204	N/A	PC	Provision for transitional living for homeless men and women seeking a drug/alcohol free life	\$500 00
Dallas Children's Theater Rosewood Center for Family Arts 5938 Skillman Dallas, TX 75231	N/A	PC	Program designed to present performances featuring quality, professional theater and workshop/classroom experiences specifically designed for youth and families	\$1,000 00
Dallas Contemporary 161 Glass Street Dallas, TX 75207	N/A	PC	To support progressive artists and art eduction provided free at the Dallas Contemporary	\$5,000 00
The Dallas Foundation 3963 Maple Ave , Suite 390 Dallas, TX 75219	N/A	PC	Towards the Aurora Fund Sponsorship benefiting various North Texas charities	\$5,000 00
Dallas Museum of Art 1717 N. Harwood St Dallas, TX 75201	N/A	PC	General support for the museum	\$5,000 00

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Federal Statements

Client MERRIMAC

Merrymac McKinley Foundation, Inc.

74-2457886

Statement 10

Form 990-PF, Part XV, Line 3a

Grants and Contributions Paid During the Year

Recipient <u>Name and address (home or business)</u>	Donee <u>Relationship</u>	Foundation <u>Status</u>	<u>Purpose of grant or contribution</u>	<u>Amount</u>
Dallas Summer Musicals, Inc P O Box 710336 Dallas, TX 75371	N/A	PC	Provides educational and community partnership programs through summer musicals.	\$250 00
Grace Road Ministries P O Box 1181 Addison, TX 75001	N/A	PC	To educate and aid immigrants of Nepal to the US, helping to educate the children and assisting adults to assimilate into American society	\$200 00
George W Bush Foundation P O Box 600610 Dallas, TX 75201	N/A	PC	Towards the George W Bush Presidential Center	\$16,667 00
Habitat for Humanity of Tuscaloosa 1120 35th Street, Suite B Tuscaloosa, AL 35401	N/A	PC	Providing housing for the people of Tuscaloosa with low incomes.	\$10,000 00
The Hale Foundation 402 Walker Augusta, GA 30901	N/A	PC	Residential services to male adults seeking recovery from addiction.	\$500 00
Highland Park Presbyterian Church 3821 University Blvd Dallas, TX 75205	N/A	PC	Donation to the Highland Park Presbyterian Church for general operating support	\$5,000 00
Highland Park United Methodist Church 3300 Mockingbird Lane Dallas, TX 75205	N/A	PC	Towards the Jesters Program - Special Needs Ministry Film and theater workshops/programs designed specifically for those with special needs	\$2,500 00
North Texas Junior Golf & Education Foundation 16200 Addison Road, #255 Addison, TX 75001	N/A	PC	Towards The First Tee of Greater Dallas Promotion to deliver life skills programming to area youth, as well as providing scholarships for those in need.	\$1,000 00
Northern Texas PGA Junior Golf Foundation 8301 Harry Hines Blvd Dallas, TX 75235	N/A	PC	Growth of the foundation, as well as donation to Texas Scottish Rite Hospital for Children	\$500 00
Salesmanship Club Charitable Golf of Dallas 106 E 10th Street, Suite 200 Dallas, TX 75203	N/A	PC	Towards Momentous Institute, providing community support for children through education and therapy programs	\$5,000 00
Sheridan on Skates P O Box 49 Sheridan, WY 82801	N/A	PC	To encourage healthy competition while promoting a skater's self-esteem, building character, positive social skills and teaching the importance of sportsmanship in a family friendly environment	\$2,000 00

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Federal Statements

Client MERRIMAC

Merrymac McKinley Foundation, Inc.**74-2457886****Statement 10****Form 990-PF, Part XV, Line 3a****Grants and Contributions Paid During the Year**

Recipient <u>Name and address (home or business)</u>	Donee <u>Relationship</u>	Foundation <u>Status</u>	Purpose of grant or contribution	Amount
Texas Scottish Rite Hospital for Children 2222 Welborn Street Dallas, TX 75219	N/A	PC	Special Event underwriting/Treasure Street	\$500 00
UGA Foundation P O Box 1472 Athens, GA 30603	N/A	PC	Towards the UGAA Georgia Excellence Campaign Fund	\$10,000 00
The Women's Alzheimers Movement 11440 San Vicente Blvd , #301 Los Angeles, CA 90049	N/A	PC	Support towards women based research programs for alzheimers	\$2,500 00
				<u>\$127,617.00</u>