EXTENDED TO NOVEMBER 16, 2020 2949100906308 1

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.

1912

OMB No 1545-0047

2019

Open to Public Inspection

For calendar year 2019 or tax year beginning , and ending

Name of foundation: THE KARAKIN FOUNDATION

A Employer identification number: 75-2692023

Number and street (or P O box number if mail is not delivered to street address): P.O. BOX 2079 | Room/suite:

B Telephone number: 325-673-6429

City or town, state or province, country, and ZIP or foreign postal code: ABILENE, TX 79604

C If exemption application is pending, check here ▶ ☐

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

D 1 Foreign organizations, check here ▶ ☐

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

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

04

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶$ 223,261,643.

J Accounting method: [X] Cash ☐ Accrual ☐ Other (specify) (Part I, column (d), must be on cash basis.)

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

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))

	Line	Description	(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	14,652,511.		N/A	
	2	Check ▶ ☐ if the foundation is not required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	2,786,314.	2,785,645.		STATEMENT 1
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	6,355,465.			
	b	Gross sales price for all assets on line 6a 8,313,119.				
	7	Capital gain net income (from Part IV, line 2)		6,355,465.		
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances 51,665.				STATEMENT 2
	b	Less Cost of goods sold 40,245.				STATEMENT 3
	c	Gross profit or (loss)	11,420.			
	11	Other income	13,517,453.	14,261,038.		STATEMENT 4
	12	**Total** Add lines 1 through 11	37,323,163.	23,402,148.		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0.	0.		0.
	14	Other employee salaries and wages	130,175.	0.		130,175.
	15	Pension plans, employee benefits	10,215.	0.		10,215.
	16a	Legal fees STMT 5	76.	76.		0.
	b	Accounting fees STMT 6	104,488.	83,859.		12,000.
	c	Other professional fees				
	17	Interest				
	18	Taxes STMT 7	541,708.	245,730.		10,334.
	19	Depreciation and depletion	762,115.	521,895.		
	20	Occupancy				
	21	Travel, conferences, and meetings	9,975.	0.		9,975.
	22	Printing and publications				
	23	Other expenses STMT 8	107,296.	106,265.		1,031.
	24	**Total operating and administrative expenses.** Add lines 13 through 23	1,666,048.	957,825.		173,730.
	25	Contributions, gifts, grants paid	6,722,660.			6,722,660.
	26	**Total expenses and disbursements** Add lines 24 and 25	8,388,708.	957,825.		6,896,390.
	27	Subtract line 26 from line 12:				
	a	Excess of revenue over expenses and disbursements	28,934,455.			
	b	**Net investment income** (if negative, enter -0-)		22,444,323.		
	c	**Adjusted net income** (if negative, enter -0-)			N/A	

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923501 12-17-19 LHA For Paperwork Reduction Act Notice, see instructions. Form **990-PF** (2019)

12471112 759165 349020 2019.05000 THE KARAKIN FOUNDATION 925 8 349020_1

Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	1,954,563.	1,305,218.	1,305,218.
	2 Savings and temporary cash investments	8,336,808.	21,638,355.	21,638,355.
	3 Accounts receivable ▶ 49,301.			
	Less: allowance for doubtful accounts ▶	31,486.	49,301.	49,301.
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	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 STMT 11	0.	987,624.	1,045,889.
	b Investments - corporate stock STMT 12	65,375,184.	79,170,610.	127,998,833.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 13	7,272,547.	10,041,668.	70,892,114.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶ STATEMENT 14)	278,860.	331,933.	331,933.
	16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	83,249,448.	113,524,709.	223,261,643.
Liabilities	17 Accounts payable and accrued expenses	6,475.	6,008.	
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶ STATEMENT 15)	828,546.	6,018.	
	23 **Total liabilities** (add lines 17 through 22)	835,021.	12,026.	
Net Assets or Fund Balances	**Foundations that follow FASB ASC 958, check here ▶ ☐ and complete lines 24, 25, 29, and 30.**			
	24 Net assets without donor restrictions			
	25 Net assets with donor restrictions			
	Foundations that do not follow FASB ASC 958, check here ▶ ☒ and complete lines 26 through 30.			
	26 Capital stock, trust principal, or current funds	82,414,427.	113,512,683.	
	27 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	28 Retained earnings, accumulated income, endowment, or other funds	0.	0.	
	29 **Total net assets or fund balances**	82,414,427.	113,512,683.	
	30 **Total liabilities and net assets/fund balances**	83,249,448.	113,524,709.	

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 29 (must agree with end-of-year figure reported on prior year's return)	1	82,414,427.
2	Enter amount from Part I, line 27a	2	28,934,455.
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 9	3	2,261,084.
4	Add lines 1, 2, and 3	4	113,609,966.
5	Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 10	5	97,283.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 29	6	113,512,683.

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.)
1a				
b	SEE ATTACHED STATEMENTS			
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) ((e) plus (f) minus (g))
a				
b				
c				
d				
e	8,313,119.		1,957,654.	6,355,465.

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				
b				
c				
d				
e				6,355,465.

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 — 6,355,465.

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).
If (loss), enter -0- in Part I, line 8 — 3 — N/A

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))
2018	7,019,388.	150,546,804.	.046626
2017	6,215,183.	127,158,771.	.048877
2016	5,600,751.	109,530,742.	.051134
2015	5,416,791.	107,479,968.	.050398
2014	4,811,586.	102,852,734.	.046781

2	**Total** of line 1, column (d)	2	.243816
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	.048763
4	Enter the net value of noncharitable-use assets for 2019 from Part X, line 5	4	197,908,273.
5	Multiply line 4 by line 3	5	9,650,601.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	224,443.
7	Add lines 5 and 6	7	9,875,044.
8	Enter qualifying distributions from Part XII, line 4	8	6,896,390.

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 IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	DISPOSITION OF TOLEDO ENERGY	P		
b	CAPITAL GAINS FROM K-1S	P		
c	APACHE CORP. 537 SHARES	P	01/01/11	02/19/19
d	CONCHO RESOURCES INC. 69,219 SHARES	P	12/12/12	08/08/19
e	EARTHSTONE ENERGY INC CLASS A COMMON STOCK 2,704	P	01/01/11	02/19/19
f	OASIS PETROLEUM INC COMMON STOCK 625 SHARES	P	08/08/11	02/19/19
g	ALCON INC ORD SHS 16.2 SHARES	P	01/01/19	06/27/19
h	CORTEVA INC COM 166.9998 SHARES	P	01/01/19	11/11/19
i	DOW INC COM 889.0001 SHARES	P	01/01/19	08/05/19
j	DUPONT DE NEMOURS INC COM 483 SHARES	P	01/01/19	12/09/19
k	UNITED PARCEL SERVICE INC CL B 196 SHARES	P	01/01/19	04/26/19
l	ALCON INC ORD SHS 1,262.6 SHARES	P	01/01/11	06/27/19
m	BLACKROCK INC. 365 SHARES	P	01/01/11	01/14/19
n	CORTEVA INC COM .998 SHARES	P	07/29/11	06/04/19
o	CORTEVA INC COM 2,107.0002 SHARES	P	01/01/11	11/11/19

	(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	12,533.			12,533.
b	287,156.			287,156.
c	17,499.		51,160.	-33,661.
d	4,933,227.		556,207.	4,377,020.
e	18,332.		60,414.	-42,082.
f	3,714.		14,051.	-10,337.
g	975.		1,001.	-26.
h	4,415.		4,719.	-304.
i	39,456.		49,663.	-10,207.
j	30,922.		35,082.	-4,160.
k	20,295.		21,508.	-1,213.
l	75,982.		60,800.	15,182.
m	144,413.		55,936.	88,477.
n	27.		21.	6.
o	55,698.		58,340.	-2,642.

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

	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a				12,533.
b				287,156.
c				-33,661.
d				4,377,020.
e				-42,082.
f				-10,337.
g				-26.
h				-304.
i				-10,207.
j				-4,160.
k				-1,213.
l				15,182.
m				88,477.
n				6.
o				-2,642.

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

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).
If (loss), enter "-0-" in Part I, line 8 } 3

923591
04-01-19

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	DISCOVER FINANCIAL SERVICES 1,615 SHARES	P	10/21/15	02/06/19
b	DISCOVER FINANCIAL SERVICES 4,413 SHARES	P	01/01/11	05/24/19
c	DOW INC COM 1,447.9999 SHARES	P	01/01/11	08/05/19
d	DOWDUPONT INC 1,664.48 SHARES	P	01/01/11	02/01/19
e	DUPONT DE NEMOURS INC COM 2,108 SHARES	P	01/01/11	12/09/19
f	HOME DEPOT INC 450 SHARES	P	01/01/11	04/16/19
g	PNC FINANCIAL SERVICES GROUP INC 334 SHARES	P	01/01/11	01/14/19
h	STARBUCKS CORP 696 SHARES	P	11/14/16	01/10/19
i	UNITED PARCEL SERVICE INC CL B 779 SHARES	P	01/01/11	04/16/19
j	UNITED PARCEL SERVICE INC CL B 1,361 SHARES	P	01/01/11	04/26/19
k	ALCON INC ORD SHS .4 SHARES	P	12/20/10	04/11/19
l	ALCON INC ORD SHS 34.2 SHARES	P	12/20/10	06/27/19
m	DOWDUPONT INC 1,145.52 SHARES	P	01/01/11	02/01/19
n	CORTEVA INC COM 506 SHARES	P	01/01/11	11/11/19
o	CAPITAL GAINS DIVIDENDS			

	(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	111,298.		87,687.	23,611.
b	338,880.		239,785.	99,095.
c	64,266.		67,532.	-3,266.
d	88,590.		64,070.	24,520.
e	134,955.		160,871.	-25,916.
f	92,041.		57,579.	34,462.
g	40,369.		21,090.	19,279.
h	44,666.		37,834.	6,832.
i	88,633.		57,788.	30,845.
j	140,926.		134,213.	6,713.
k	23.		16.	7.
l	2,058.		1,377.	681.
m	60,969.		40,731.	20,238.
n	13,376.		18,179.	-4,803.
o	1,447,425.			1,447,425.

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

	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a				23,611.
b				99,095.
c				-3,266.
d				24,520.
e				-25,916.
f				34,462.
g				19,279.
h				6,832.
i				30,845.
j				6,713.
k				7.
l				681.
m				20,238.
n				-4,803.
o				1,447,425.

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	6,355,465.
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). If (loss), enter "-0-" in Part I, line 8	3	N/A

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ________ (attach copy of letter if necessary-see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b		1	448,886.
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	448,886.
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	448,886.
6	Credits/Payments:			
a	2019 estimated tax payments and 2018 overpayment credited to 2019	6a 246,800.		
b	Exempt foreign organizations - tax withheld at source	6b 0.		
c	Tax paid with application for extension of time to file (Form 8868)	6c 550,000.		
d	Backup withholding erroneously withheld	6d 0.		
7	Total credits and payments. Add lines 6a through 6d		7	796,800.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☒ if Form 2220 is attached		8	6,337.
9	**Tax due** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶		9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶		10	341,577.
11	Enter the amount of line 10 to be: **Credited to 2020 estimated tax** ▶ 341,577. **Refunded** ▶		11	0.

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		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
4a	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	X	
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	
8a	Enter the states to which the foundation reports or with which it is registered. See instructions. ▶ TX			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G*? 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 2019 or the tax year beginning in 2019? 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

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 ▶ N/A

14 The books are in care of ▶ JEFF BLANKS Telephone no. ▶ 325-673-6429

Located at ▶ P.O. BOX 176, ABILENE, TX ZIP+4 ▶ 79604

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** - check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ | 15 | N/A

			Yes	No
16	At any time during calendar year 2019, 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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

			Yes	No
1a	During the year, did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ 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 N/A	1b		
	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 2019?	1c		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 2019, did the foundation have any undistributed income (Part XIII, lines 6d and 6e) for tax year(s) beginning before 2019? ☐ Yes ☒ No			
	If "Yes," list the years ▶ ____, ____, ____, ____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.) N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ ____, ____, ____, ____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☒ Yes ☐ No			
b	If "Yes," did it have excess business holdings in 2019 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 Form 4720, Schedule C, to determine if the foundation had excess business holdings in 2019.)	3b		X
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		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 2019?	4b		X

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

			Yes	No
5a During the year, did the foundation pay or incur any amount to:				
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	Yes [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	Yes [X] 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	N/A	5b		
Organizations relying on a current notice regarding disaster assistance, check here	▶ [ ]			
c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A	Yes No			
If "Yes," attach the statement required by Regulations section 53.4945-5(d).				
6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	Yes [X] No			
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		6b		X
If "Yes" to 6b, file Form 8870.				
7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	Yes [X] No			
b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	N/A	7b		
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 [X] 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.

(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
JOSEPH B. MATTHEWS P.O. BOX 2079 ABILENE, TX 79604	PRESIDENT 5.00	0.	0.	0.
SHERRY MASSENGILL P.O. BOX 2993 ABILENE, TX 79604-2993	SECRETARY/TREASURER 0.50	0.	0.	0.
LEROY BOLT P.O. BOX 2993 ABILENE, TX 79604-2993	DIRECTOR 0.50	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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
SARAH J COMERFORD P.O. BOX 232, CAPTAIN COOK, HI 96704	GRANTS ADMINISTRATOR 40.00	130,175.	0.	0.

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. If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
CONDLEY & COMPANY, LLP 993 N. 3RD STREET, ABILENE, TX 79601	ACCOUNTING SERVICES	95,837.

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**

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	111,049,141.
b	Average of monthly cash balances	1b	18,646,864.
c	Fair market value of all other assets	1c	71,226,100.
d	**Total** (add lines 1a, b, and c)	1d	200,922,105.
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	200,922,105.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	3,013,832.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	197,908,273.
6	**Minimum investment return** Enter 5% of line 5	6	9,895,414.

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	9,895,414.
2a	Tax on investment income for 2019 from Part VI, line 5 2a 448,886.		
b	Income tax for 2019. (This does not include the tax from Part VI.) 2b		
c	Add lines 2a and 2b	2c	448,886.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	9,446,528.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	9,446,528.
6	Deduction from distributable amount (see instructions)	6	0.
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	9,446,528.

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	6,896,390.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8; and Part XIII, line 4	4	6,896,390.
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	5	0.
6	**Adjusted qualifying distributions** Subtract line 5 from line 4	6	6,896,390.

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.

Form **990-PF** (2019)

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2018	(c) 2018	(d) 2019
1 Distributable amount for 2019 from Part XI, line 7				9,446,528.
2 Undistributed income, if any, as of the end of 2019				
a Enter amount for 2018 only			0.	
b Total for prior years: ____ , ____ , ____		0.		
3 Excess distributions carryover, if any, to 2019:				
a From 2014 620,721.				
b From 2015 72,213.				
c From 2016 803,711.				
d From 2017 1,639,591.				
e From 2018 149,628.				
f Total of lines 3a through e	3,285,864.			
4 Qualifying distributions for 2019 from Part XII, line 4: ▶ $ 6,896,390.				
a Applied to 2018, 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 2019 distributable amount				6,896,390.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2019 (If an amount appears in column (d), the same amount must be shown in column (a).)	2,550,138.			2,550,138.
6 Enter the net total of each column as indicated below.				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	735,726.			
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 2018. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2019. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2020				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 2014 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2020. Subtract lines 7 and 8 from line 6a	735,726.			
10 Analysis of line 9:				
a Excess from 2015				
b Excess from 2016				
c Excess from 2017 586,098.				
d Excess from 2018 149,628.				
e Excess from 2019				

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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 2019, 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) 2019	(b) 2018	(c) 2017	(d) 2016	(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).)

JOSEPH B. MATTHEWS

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.

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				
AMERICAN ENTERPRISE INSTITUTE 1150 17TH ST NW WASHINGTON, DC 20036	NONE	PC	SUPPORT ORGANIZATION'S ACTIVITY AND RESEARCH	25,000.
ANTHROPOS ARTS 9038 N INTERSTATE HWY 35 AUSTIN, TX 78753	NONE	PC	OPERATING SUPPORT	10,000.
ARCA 11300 LOMAS BLVD NE ALBUQUERQUE, NM 87112	NONE	PC	TO ENRICH THE LIVES OF INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES	200,000.
CAMBODIA FAMILY SUPPORT USA 493 IRVING CT TIBURON, CA 94920	NONE	PC	SUPPORT EFFORTS WHEN & WHERE NEEDED	443,120.
CAMP QUALITY USA 540 HAMPTON RIDGE DR. AKRON, OH 44313	NONE	PC	OPERATING SUPPORT	25,000.
Total SEE CONTINUATION SHEET(S)			▶ 3a	6,722,660.
b Approved for future payment				
CAMBODIA FAMILY SUPPORT USA 493 IRVING CT TIBURON, CA 94920	NONE	PC	SUPPORT EFFORTS WHEN & WHERE NEEDED	307,000.
HEALTHY KIDS/BRIGHTER FUTURE, INC. P.O. BOX 382 BRUNSWICK, ME 04011	NONE	PC	TO TEACH HEALTH EDUCATION, PROVIDE FIRST AID, REFER SICK CHILDREN TO GOVERNMENT HEALTH CENTERS, MAKE	250,000.
Total			▶ 3b	557,000.

** SEE PURPOSE OF GRANT CONTINUATIONS

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
CHAB DAI INTERNATIONAL PO BOX 6116 FOLSOM, CA 95763	NONE	PC	SUPPORT EFFORTS WHEN & WHERE NEEDED	125,000.
CHRISTINA NOBLE CHILDREN'S FOUNDATION 9727 SW 138TH AVENUE MIAMI, FL 33186	NONE	PC	OPERATIONAL SUPPORT	330,000.
CURE INTERNATIONAL 701 BOSLER AVENUE LEMOYNE, PA 17043	NONE	PC	UNTREATED HYDROCEPHALUS	190,000.
DANIEL R. SAYRE MEMORIAL FOUNDATION P.O. BOX 1285 KAILUA-KONA, HI 96745	NONE	PC	TO PURCHASE "JAWS OF LIFE" EMERGENCY RESCUE EQUIPMENT FOR THE ISLAND'S SEARCH AND RESCUE CREW.	33,500.
DIGNITY PERIOD, INC. P.O. BOX 28343 SAINT LOUIS, MO 63146	NONE	PC	SUPPORT EFFORTS WHEN & WHERE NEEDED	25,000.
EDUCATION BURMA THAILAND P.O. BOX 813 NICASIO, CA 94946	NONE	PC	TO BE USED WHERE NEEDED THE MOST	125,000.
EMERGENCY USA 31 WEST 34TH STREET, ROOM 8008 NEW YORK, NY 10001	NONE	PC	TO FUND SURGICAL, DIAGNOSTIC AND OTHER CRITICALLY NEEDED EQUIPMENT.	325,000.
EXPLORE AUSTIN P.O. BOX 203728 AUSTIN, TX 78720-3728	NONE	PC	ORGANIZATIONAL NEEDS	454,200.
FISHER HOUSE FOUNDATION, INC. 12300 TWINBROOK PKWY, STE. 410 ROCKVILLE, MD 20852	NONE	PC	OPERATING SUPPORT	100,000.
FOLDS OF HONOR FOUNDATION 7 PALOMAR ROAD PLACITAS, NM 87043	NONE	PC	PATRIOT GALA	150,000.
Total from continuation sheets				6,019,540.

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Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
FRIENDS OF BONOBOS CARE OF E NAUGHTON, 1627 W 26TH ST MINNEAPOLIS, MN 55405	NONE	PC	OPERATIONAL SUPPORT	25,000.
GARY SINISE FOUNDATION P.O. BOX 368 WOODLAND HILLS, CA 91365	NONE	PC	TO INITIATE THE CONSTRUCTION OF SIX NEW SMART HOMES FOR WOUNDED VETERANS	600,000.
HEALTHY KIDS/BRIGHTER FUTURE, INC. P.O. BOX 382 BRUNSWICK, ME 04011	NONE	PC	TO TEACH HEALTH EDUCATION, PROVIDE FIRST AID, REFER SICK CHILDREN TO GOVERNMENT HEALTH CENTERS, MAKE	250,000.
HOMES FOR OUR TROOPS 6 MAIN STREET TAUNTON, MA 2780	NONE	PC	SUPPORT EFFORTS WHEN & WHERE NEEDED	600,000.
THE HOOVER INSTITUTION 434 GALVEZ MALL STANFORD, CA 94305-9954	NONE	PC	TO MAXIMIZE THE RESEARCH, IDEAS, AND SOLUTIONS CRITICAL TO KEEPING AND INCREASING ECONOMIC OPPORTUNITY	25,000.
MANHATTAN INST FOR POLICY RESEARCH 52 VANDERBILT AVE NEW YORK, NY 10017	NONE	PC	TO FUND THE ORGANIZATIONS ACTIVITIES AND RESEARCH	25,000.
MATERNAL HELP HOPE FUND 47 DEVINE STREET SAN JOSE, CA 95110	NONE	PC	TO SUPPORT THE MOST CRITICAL NEEDS OF TERREWODE WOMEN'S HOSPITAL IN SOROTI, UGANDA.	640,000.
MERCY MEDICAL ANGELS 4620 HAYGOOD ROAD, STE. 1 VIRGINIA BEACH, VA 23455	NONE	PC	TO PROVIDE TRANSPORTATION ACROSS THE NATION TO VETERANS SEEKING MEDICAL TREATMENT	50,000.
MONTCLAIR STATE UNIVERSITY FOUNDATION 1 NORMAL AVENUE MONTCLAIR, NJ 7043	NONE	PC	FOSTER CARE STUDENT PROGRAM	25,000.
SEMPER FI FUND 825 COLLEGE BLVD, STE 102, PMB 609 OCEANSIDE, CA 92057	NONE	PC	OPERATING SUPPORT	600,000.
Total from continuation sheets				

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Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
SIGN FRACTURES CARE INTERNATIONAL 2950 GEORGE WASHINGTON WAY RICHLAND, WA 99352	NONE	PC	SUPPORT THE ORGANIZATION'S EXPANSION TO TREAT PELVIC FRACTURES, SPINAL TRAUMA AND FOOT	500,000.
SMILE TRAIN 41 MADISON AVE, 28TH FLOOR NEW YORK, NY 10010	NONE	PC	REPAIR CLEFT LIP AND PALATES AROUND THE WORLD	130,000.
SURGEONS FOR CAMBODIA 10661 ALBANY CIRCLE VILLA PARK, CA 92861	NONE	PC	SUPPORT AN INTERNATIONAL SURGICAL RESIDENCY ROTATION IN MULTIPLE HOSPITALS IN PHNOM PENH, CAMBODIA	199,340.
THE HEARTLAND INSTITUTE 3939 NORTH WILKE ROAD ARLINGTON HEIGHTS, IL 60004	NONE	PC	OPERATING SUPPORT	25,000.
THE LAWRENCEVILLE SCHOOL P.O. BOX 6125 LAWRENCEVILLE, NJ 8648	NONE	PC	PLACEMENT ADVISOR AND OPERATING SUPPORT	10,000.
THE MARINE MAMMAL CENTER 2000 BUNKER ROAD SAUSALITO, CA 94965	NONE	PC	KE KAI OLA, HAWAII'S MONK SEAL HOSPITAL	30,000.
SIGN FRACTURES CARE INTERNATIONAL 2950 GEORGE WASHINGTON WAY RICHLAND, WA 99352	NONE	PC	SUPPORT THE ORGANIZATION'S EXPANSION TO TREAT PELVIC FRACTURES, SPINAL TRAUMA AND FOOT	302,500.
UNITED SERVICE ORGANIZATIONS INC. 2111 WILSON BLVD ARLINGTON, VA 22201	NONE	PC	OPERATING SUPPORT	50,000.
US2UGANDA4LIFE INC. 26795 CALLE REAL CAPISTRANO BEACH, CA 92624	NONE	PC	TO EXPAND THE EXISTING OPERATING CAPACITY.	75,000.
Total from continuation sheets				

Part XV Supplementary Information

3a Grants and Contributions Paid During the Year Continuation of Purpose of Grant or Contribution

NAME OF RECIPIENT - HEALTHY KIDS/BRIGHTER FUTURE, INC.
TO TEACH HEALTH EDUCATION, PROVIDE FIRST AID, REFER SICK CHILDREN TO GOVERNMENT HEALTH CENTERS, MAKE HOME VISITS IN CASES OF EXTENDED ABSENCE AND ASSIST WITH ANNUAL HEALTH SCREENINGS FOR CHILDREN IN LUSAKA, ZAMBIA.

NAME OF RECIPIENT - THE HOOVER INSTITUTION
TO MAXIMIZE THE RESEARCH, IDEAS, AND SOLUTIONS CRITICAL TO KEEPING AND INCREASING ECONOMIC OPPORTUNITY AND PROSPERITY, WHILE SECURING AND SAFEGUARDING PEACE FOR AMERICA AND THE WORLD.

NAME OF RECIPIENT - SIGN FRACTURES CARE INTERNATIONAL
SUPPORT THE ORGANIZATION'S EXPANSION TO TREAT PELVIC FRACTURES, SPINAL TRAUMA AND FOOT AND ANKLE TRAUMA AS WELL AS CONTINUE WORKING TOWARD YOUR VISION OF CREATING EQUALITY OF FRACTURE CARE THROUGHOUT THE WORLD

NAME OF RECIPIENT - SURGEONS FOR CAMBODIA
SUPPORT AN INTERNATIONAL SURGICAL RESIDENCY ROTATION IN MULTIPLE HOSPITALS IN PHNOM PENH, CAMBODIA AND TO PURCHASE A CARDIOTOCOGRAPH MACHINE FOR KOSSAMAK HOSPITAL

NAME OF RECIPIENT - SIGN FRACTURES CARE INTERNATIONAL
SUPPORT THE ORGANIZATION'S EXPANSION TO TREAT PELVIC FRACTURES, SPINAL TRAUMA AND FOOT AND ANKLE TRAUMA AS WELL AS CONTINUE WORKING TOWARD YOUR VISION OF CREATING EQUALITY OF FRACTURE CARE THROUGHOUT THE WORLD

Part XV Supplementary Information

3b Grants and Contributions Approved for Future Payment Continuation of Purpose of Grant or Contribution

NAME OF RECIPIENT - HEALTHY KIDS/BRIGHTER FUTURE, INC.

TO TEACH HEALTH EDUCATION, PROVIDE FIRST AID, REFER SICK CHILDREN TO GOVERNMENT HEALTH CENTERS, MAKE HOME VISITS IN CASES OF EXTENDED ABSENCE AND ASSIST WITH ANNUAL HEALTH SCREENINGS FOR CHILDREN IN LUSAKA, ZAMBIA.

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
	(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					
4 Dividends and interest from securities			14	2,786,314.	
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	900099	-743,585.	15	14,261,038.	
8 Gain or (loss) from sales of assets other than inventory			18	6,355,465.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory	211110	11,420.			
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		-732,165.		23,402,817.	0.

13 Total. Add line 12, columns (b), (d), and (e) 13 22,670,652.

(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).

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	1a(1)		X
(2) Other assets	1a(2)		X
b Other transactions:			
(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
(3) Rental of facilities, equipment, or other assets	1b(3)		X
(4) Reimbursement arrangements	1b(4)		X
(5) Loans or loan guarantees	1b(5)		X
(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		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

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

Joseph Edwin Canon — 11-13-20 — VP/TREASURER

Signature of officer or trustee — Date — Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
SHERRY A MASSENGILL	Sherry Massengill	11/12/2020		P00023094

Firm's name ▶ CONDLEY AND COMPANY, L.L.P. — Firm's EIN ▶ 75-1056027

Firm's address ▶ P. O. BOX 2993 ABILENE, TX 79604-2993 — Phone no. (325) 677-6251

Schedule B (Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No 1545-0047

2019

Name of the organization	Employer identification number
THE KARAKIN FOUNDATION	75-2692023

Organization type (check one)

Filers of:	**Section:**
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule See instructions

General Rule

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling $5,000 or more (in money or property) from any one contributor Complete Parts I and II. See instructions for determining a contributor's total contributions

Special Rules

☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** $5,000, or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1 Complete Parts I and II

☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals Complete Parts I, II, and III

☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc , purposes, but no such contributions totaled more than $1,000 If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc , purpose Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc , contributions totaling $5,000 or more during the year ▶ $ ____________

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization: THE KARAKIN FOUNDATION

Employer identification number: 75-2692023

Part I **Contributors** (see instructions) Use duplicate copies of Part I if additional space is needed

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	JULIA JONES MATTHEWS FAMILY TRUST P.O. BOX 176 ABILENE, TX 79604	$ 4,550.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
2	JULIA JONES MATTHEWS FAMILY TRUST P.O. BOX 176 ABILENE, TX 79604	$ 14,647,961.	Person [ ] Payroll [ ] Noncash [X] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)

Name of organization: THE KARAKIN FOUNDATION

Employer identification number: 75-2692023

Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
2	PARTNERSHIP INTERESTS	$ 14,647,961.	01/01/19

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
		$	

Name of organization: THE KARAKIN FOUNDATION

Employer identification number: 75-2692023

Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than $1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of $1,000 or less for the year. (Enter this info. once.) ▶ $

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
CAPITAL GAIN DISTRIBUTIONS	1,447,425.	1,447,425.	0.	0.	
DIVIDENDS	2,670,927.	0.	2,670,927.	2,670,927.	
INTEREST	115,387.	0.	115,387.	114,718.	
TO PART I, LINE 4	4,233,739.	1,447,425.	2,786,314.	2,785,645.	

FORM 990-PF	INCOME AND COST OF GOODS SOLD INCLUDED ON PART I, LINE 10	STATEMENT 2

INCOME

1. GROSS RECEIPTS	51,665	
2. RETURNS AND ALLOWANCES		
3. LINE 1 LESS LINE 2		51,665
4. COST OF GOODS SOLD (LINE 15)	40,245	
5. GROSS PROFIT (LINE 3 LESS LINE 4).		11,420
6. OTHER INCOME		
7. GROSS INCOME (ADD LINES 5 AND 6)		11,420

COST OF GOODS SOLD

8. INVENTORY AT BEGINNING OF YEAR		
9. MERCHANDISE PURCHASED.		
10. COST OF LABOR.		
11. MATERIALS AND SUPPLIES		
12. OTHER COSTS.	40,245	
13. ADD LINES 8 THROUGH 12		40,245
14. INVENTORY AT END OF YEAR		
15. COST OF GOODS SOLD (LINE 13 LESS LINE 14). .		40,245

FORM 990-PF	COST OF GOODS SOLD - OTHER COSTS	STATEMENT 3

DESCRIPTION	AMOUNT
PRODUCTION TAX	2,231.
LEASE OPERATING EXPENSE	38,014.
TOTAL OTHER COSTS	40,245.

FORM 990-PF	OTHER INCOME	STATEMENT 4

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
OIL & GAS ROYALTIES	2,515,638.	2,515,638.	
PARTNERSHIP INCOME	11,712,761.	11,712,761.	
PARTNERSHIP INCOME-UBI PORTION	-744,355.	0.	
STATE INCOME TAX REFUND	770.	0.	
OTHER INCOME	1,631.	1,631.	
LEASE BONUS	31,008.	31,008.	
TOTAL TO FORM 990-PF, PART I, LINE 11	13,517,453.	14,261,038.	

FORM 990-PF	LEGAL FEES	STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	76.	76.		0.
TO FM 990-PF, PG 1, LN 16A	76.	76.		0.

FORM 990-PF | ACCOUNTING FEES | STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	104,488.	83,859.		12,000.
TO FORM 990-PF, PG 1, LN 16B	104,488.	83,859.		12,000.

FORM 990-PF | TAXES | STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ROYALTY PRODUCTION TAX	115,878.	115,878.		0.
AD VALOREM TAXES	129,852.	129,852.		0.
INCOME & EXCISE TAX	246,621.	0.		0.
FOREIGN TAX WITHHELD	38,856.	0.		0.
STATE INCOME TAX EXPENSE	167.	0.		0.
PAYROLL TAXES	10,334.	0.		10,334.
TO FORM 990-PF, PG 1, LN 18	541,708.	245,730.		10,334.

FORM 990-PF | OTHER EXPENSES | STATEMENT 8

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INSURANCE EXPENSE - OTHER	5,449.	5,449.		0.
INVESTMENT FEES	80,468.	80,468.		0.
MISCELLANEOUS	3,151.	2,120.		1,031.
OTHER ROYALTY EXPENSES	18,228.	18,228.		0.
TO FORM 990-PF, PG 1, LN 23	107,296.	106,265.		1,031.

FORM 990-PF OTHER INCREASES IN NET ASSETS OR FUND BALANCES STATEMENT 9

DESCRIPTION	AMOUNT
ADDITIONAL PERCENTAGE DEPLETION	138,239.
FMV OF CONTRIBUTION OF PARTNERSHIP INT. RECEIVED > BOOK VALUE	807,231.
PRIOR YEAR LOSSES DISALLOWED	902,367.
STATE TAXES WITHHELD	4,539.
STOCK BASIS RECEIVED	408,708.
TOTAL TO FORM 990-PF, PART III, LINE 3	2,261,084.

FORM 990-PF OTHER DECREASES IN NET ASSETS OR FUND BALANCES STATEMENT 10

DESCRIPTION	AMOUNT
NONDEDUCTIBLE EXPENSES	87,687.
PRIOR YEAR STOCK BASIS ADJUSTMENT	9,596.
TOTAL TO FORM 990-PF, PART III, LINE 5	97,283.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 11

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
ABILENE TX COMB TAX LTD SURPLUS		X	42,030.	45,372.
ABILENE TX GO REF BDS		X	32,059.	33,837.
ABILENE TX GO REF BDS		X	31,027.	33,753.
ANGLETON TX ISD		X	16,629.	16,751.
ARLINGTON TX HIGHER ED FIN CO ED REV		X	40,392.	45,450.
ARLINGTON TX HIGHER EDUCATION FINANCE CORPORATION EDUCATION REVENUE HARMONY		X	44,243.	46,797.
AUSTIN TX CTFS OF OBLIG DTD		X	34,410.	36,116.
BRAZORIA COUNTY TEXAS		X	20,000.	20,047.
BRAZORIA COUNTY TX MUN UTIL DISTRICT		X	5,241.	5,235.
CLEBURNE TX ISD		X	45,449.	47,200.

CROWLEY TX ISD FOR ULTD TAX SCH BLDG	X	31,817.	33,455.
DANBURY TX HIGHER ED	X	42,282.	44,662.
DEER PARK TX ISD	X	33,692.	34,125.
GRAND PRAIRIE TX COMBINATION TX	X	32,174.	33,746.
HAYS TX CISD	X	41,774.	42,053.
LA GRANGE TX ISD	X	34,403.	35,859.
MCLENNAN CNTY TEX VENUE PROJ REF	X	33,316.	36,469.
MELISSA TX ISD	X	10,228.	11,462.
MESQUITE TX CTFS OBLIG	X	37,364.	40,704.
MIDLOTHIAN TX ISD	X	39,794.	42,524.
NORTH RICHLAND HILLS TEXAS WATERWORKS & SEWER SYSTEMS	X	15,501.	15,485.
PASADENA TX COMBINATION TAX REV	X	25,838.	28,138.
PHARR TX COMBINATION TAX REV	X	34,489.	36,494.
PROSPER TX ISD	X	42,610.	46,058.
RICHARDSON TX COMBINATION TAX	X	32,188.	34,689.
ROUND ROCK TX ISD	X	44,812.	45,386.
SAN ANTONIO TX ISD	X	30,000.	35,267.
SMITHVILLE TX ISD	X	42,708.	45,564.
WACO TEXAS CERTIFICATE OF OBLIGATION	X	31,120.	31,693.
WASHINGTON ST FOR ISSUES DTD P	X	40,034.	41,498.
TOTAL U.S. GOVERNMENT OBLIGATIONS			
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS		987,624.	1,045,889.
TOTAL TO FORM 990-PF, PART II, LINE 10A		987,624.	1,045,889.

FORM 990-PF CORPORATE STOCK STATEMENT 12

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
AIR LEASE CORPORATION	56,355.	105,352.
AMEN PROPERTIES COMMON	175,598.	443,250.
AMEN PROPERTIES COMMON	65,436.	118,500.
AMERICAN BALANCED FUND CLASS A	4,815,630.	5,420,193.
AMERICAN CAMPUS COMMUNITIES	437,723.	434,322.
AMERICAN CAMPUS COMMUNITIES	71,309.	70,968.
AMERICAN ELECTRIC POWER CO INC	281,676.	401,762.
AMERICAN ELECTRIC POWER CO INC	58,191.	82,980.
AMERICAN FDS DEVELOPING WORLD GROWTH & INCOME FD CL A	4,314,539.	5,424,718.
AMGEN INCORPORATED	681,702.	984,289.
AMGEN INCORPORATED	126,928.	171,883.
APACHE CORP	58,651.	25,334.
APPLE COMPUTER, INC	577,269.	1,974,796.
APPLE COMPUTER, INC	213,607.	370,880.
AT&T INC.	378,909.	418,977.

AT&T INC.	80,091.	91,408.
BLACKROCK INC.	412,346.	673,618.
BLACKROCK INC.	147,097.	153,826.
BOEING CO	407,440.	355,404.
BOEING CO	86,698.	75,576.
BROWN FORMAN CORP CL B	16,873.	100,386.
CAPITAL INCOME BUILDER CL A	4,622,149.	5,112,587.
CAPITAL WORLD GROWTH & INC FND	5,259,912.	6,131,673.
CHEVRON CORPORATION	568,540.	670,036.
CHEVRON CORPORATION	129,930.	134,851.
CHUBB CORPORATION	295,204.	352,103.
CHUBB CORPORATION	61,091.	72,849.
CISCO SYSTEMS INC	360,900.	787,599.
CISCO SYSTEMS INC	117,236.	152,321.
CME GROUP INC	18,243.	37,735.
COCA-COLA CO	332,848.	455,254.
COCA-COLA CO	72,533.	87,564.
CONCHO RESOURCES, INC	174,815.	121,372.
CONCHO RESOURCES, INC	3,166,131.	2,230,671.
CVS CORP	122,258.	125,922.
CVS HEALTH CORP	614,909.	604,423.
DISCOVER FINANCIAL SERVICES	163,915.	249,540.
DISCOVER FINANCIAL SERVICES	36,736.	43,428.
DISNEY WALT CO	363,374.	528,044.
DOCUSIGN INC.	33,153.	58,695.
DR HORTON INC.	43,688.	62,667.
DUPONT DEMOURS INC COM	50,853.	33,127.
EARTHSTONE ENERGY INC	234,151.	66,338.
EATON CORP	313,139.	450,867.
EATON CORPORATION	73,608.	93,678.
ESTEE LAUDER COMPANIES CL A	21,465.	57,212.
FIRST BANCSHARES OF TEXAS	17,500.	166,250.
FIRST FIN. BANKSHARES	829,699.	25,552,670.
FIRST FIN. BANKSHARES	2,324,068.	3,839,589.
FORESTAR GROUP INC.	3,683.	3,920.
FRANKLIN INCOME SERIES CL A	4,714,584.	4,923,947.
FREEPORT MCMORAN INC	25,958.	25,978.
GRACO INC.	16,902.	61,776.
GROWTH FUND AMERICA INC.	6,654,105.	7,724,963.
HOME DEPOT INC	317,080.	495,286.
HOME DEPOT INC.	85,097.	108,535.
HONEYWELL INTERNATIONAL INC.	524,199.	638,439.
HONEYWELL INTERNATIONAL INC.	97,382.	118,590.
INCOME FUND OF AMERICA INC CLASS A	4,841,283.	5,218,974.
INTEL CORP	279,584.	595,627.
INTEL CORP	84,620.	110,603.
INTERACTIVE BROKERS GROUP INC.	31,745.	33,706.
JOHNSON & JOHNSON	403,702.	759,253.
JOHNSON & JOHNSON	146,476.	158,852.
JP MORGAN CHASE & CO	464,312.	1,257,388.
JP MORGAN CHASE & CO	26,723.	34,432.
JP MORGAN CHASE & CO	182,386.	251,478.
KEYSIGHT TECHNOLOGIES INC.	32,289.	81,283.
KLA-TENCOR CORP	280,151.	546,982.

KLA-TENCOR CORP	45,527.	74,119.
KLA-TENCOR CORP	56,304.	109,931.
LIBERTY MEDIA CORP	43,860.	63,707.
LOCKHEED MARTIN CORP	202,525.	664,282.
LOCKHEED MARTIN CORP	106,764.	133,947.
MAIN STREET CAPITAL	1,579,653.	6,053,385.
MAIN STREET CAPITAL	227,296.	286,078.
MAIN STREET CAPITAL	83,643.	105,275.
MCDONALDS CORP	362,316.	606,070.
MCDONALDS CORP	100,458.	119,949.
MERCK & CO INC	612,014.	1,050,654.
MERCK & CO INC	140,120.	214,642.
MICROSOFT CORP UNSOLICITED	265,312.	1,455,571.
MICROSOFT CORP UNSOLICITED	155,479.	290,641.
MONDELEZ INTL INC	555,498.	734,327.
MONDELEZ INTL INC	117,272.	153,894.
MOODY'S CORP	29,499.	33,000.
NEW PERSPECTIVE FUND INC.	5,654,974.	7,058,281.
NEW WORLD FUND	4,410,430.	5,421,748.
NIKE CLASS B	244,459.	455,085.
NIKE CLASS B	59,357.	96,650.
NOVARTIS AG	411,162.	634,707.
NOVARTIS AG	99,431.	132,661.
OASIS PETROLEUM INC	4,640.	1,291.
PEPSICO INC	408,098.	700,844.
PEPSICO INC	126,227.	154,437.
PNC FIN. SVC GROUP INC	232,210.	609,787.
PNC FIN. SVC GROUP INC	112,802.	131,695.
PPL CORP	304,531.	350,189.
PPL CORP	81,608.	95,261.
QUALCOMM INC	17,356.	27,616.
QUALCOMM INC	48,623.	69,878.
QUANTA SERVICES INC.	60,266.	80,606.
RECEPTOR LOGIC, INC.	39,359.	92,652.
ROYAL DUTCH SHELL PLC SPONSORED ADR	587,128.	608,216.
ROYAL DUTCH SHELL PLC SPONSORED ADR	38,228.	36,214.
ROYAL DUTCH SHELL PLC SPONSORED ADR	127,414.	118,921.
STARBUCKS CORP	395,879.	626,958.
STARBUCKS CORP	97,382.	153,596.
THOR INDUSTRIES INC.	51,317.	62,552.
TJX COMPANIES INC NEW	25,509.	31,446.
TOTAL SA SPONSORED ADR	433,605.	441,681.
TOTAL SA SPONSORED ADR	87,302.	86,489.
TRANSATLANTIC PETROLEUM LTD.	882.	443.
VERIZON COMMUNICATIONS	471,638.	563,529.
VERIZON COMMUNICATIONS	71,365.	91,302.
WALT DISNEY COMPANY	70,649.	99,939.
WASHINGTON MUTUAL INVS FUND	6,152,017.	7,337,223.
WEATHERFORD INTL	19,463.	112.
WELLS FARGO CO	34,674.	40,458.
APACHE CORP	408,708.	109,395.
TOTAL TO FORM 990-PF, PART II, LINE 10B	79,170,610.	127,998,833.

FORM 990-PF	OTHER INVESTMENTS		STATEMENT 13
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
AUXANO BIOMEDICAL LLC	FMV	863.	0.
BUCHANAN INVESTMENTS ALTERENERGY LLC	FMV	168,876.	725,000.
CENTRAL PARK 91	FMV	36,154.	94,615.
DJ LEGACY PARTNERS	FMV	84,306.	1,616,562.
DJ-PEI	FMV	2,606,524.	3,463,583.
DORCHESTER MINERALS	FMV	296,905.	2,346,117.
ENCAP ENERGY CAPITAL FUND VI-B, LP	FMV	277,732.	13,604.
ENCAP ENERGY CAPITAL FUND VII-B, LP	FMV	632,511.	73,183.
FREESTONE METALS PARTNERS	FMV	0.	61,306.
FREESTONE PARTNERS II, LP	FMV	3,138.	0.
HOG PARTNERSHIP	FMV	54,475.	216,980.
HUMANA WEST LTD.	FMV	7,781.	24,967.
JMK INVESTMENTS, LP	FMV	880,195.	1,946,129.
MDJ MINERALS	FMV	645,519.	42,500,000.
MINERAL INTEREST LESS ACCUMULATED DEPLETION	FMV	2,077,896.	9,478,154.
N3 OPPORTUNITY FUND I LP	FMV	39,136.	20,505.
SFF ROYALTY	FMV	2,585.	396,277.
TEJON ENERGY, LP	FMV	2,223,340.	7,881,074.
WESTECH VENTURES I, LP	FMV	3,732.	34,058.
TOTAL TO FORM 990-PF, PART II, LINE 13		10,041,668.	70,892,114.

FORM 990-PF	OTHER ASSETS		STATEMENT 14
DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
FIT ESTIMATES	262,373.	331,933.	331,933.
DUE FROM DODGE JONES FOUNDATION	16,487.	0.	0.
TO FORM 990-PF, PART II, LINE 15	278,860.	331,933.	331,933.

FORM 990-PF OTHER LIABILITIES STATEMENT 15

DESCRIPTION	BOY AMOUNT	EOY AMOUNT
NEGATIVE BASIS IN TEJON HALCON PARTNERS	828,546.	0.
NEGATIVE BASIS IN FREESTONE METALS	0.	6,018.
TOTAL TO FORM 990-PF, PART II, LINE 22	828,546.	6,018.