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Form 990-PF

Department of the Treasury
Internal Revenue ServiceReturn of Private Foundation
or Section 4947(a)(1) Trust Treated as Private Foundation

OMB No. 1545-0047

2019

Open to Public Inspection

► 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.

For calendar year 2019 or tax year beginning , and ending

Name of foundation

HARKEY FAMILY FOUNDATION, INC.

Number and street (or P O box number if mail is not delivered to street address)

12200 N STEMMONS FWY., SUITE 100

Room/suite

City or town, state or province, country, and ZIP or foreign postal code

DALLAS TX 75234

G Check all that apply

Initial return

Initial return of a former public charity

Final return

Amended return

Address change

Name change

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

A Employer identification number

90-0796600I Fair market value of all assets at
end of year (from Part II, col. (c),
line 16) ► \$ **10,623,978**J Accounting method Cash Accrual
 Other (specify)

B Telephone number (see instructions)

972-888-8199

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

Part I Analysis of Revenue and Expenses (The total of
amounts in columns (b), (c), and (d) may not necessarily equal
the amounts in column (a) (see instructions))(a) Revenue and
expenses per
books(b) Net investment
income(c) Adjusted net
income(d) Disbursements
for charitable
purposes
(cash basis only)

Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				RECEIVED
	2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	-57,661	56,834		
	4 Dividends and interest from securities	133,789	132,525		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	64,165			
	b Gross sales price for all assets on line 6a	9,578,724			
	7 Capital gain net income (from Part IV, line 2)		64,165		
	8 Net short-term capital gain			0	
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)	STMT 1	-5,057	59,308	-64,365
	12 Total. Add lines 1 through 11		250,558	312,832	-64,365
	13 Compensation of officers, directors, trustees, etc		0		
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule) SEE STMT 2		4,539	4,539	4,539
	b Accounting fees (attach schedule) STMT 3		6,940	6,940	6,940
	c Other professional fees (attach schedule)				
	17 Interest		4,834	4,834	
	18 Taxes (attach schedule) (see instructions) STMT 4		352	352	
	19 Depreciation (attach schedule) and depletion		60,320	60,320	
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (att. sch) STMT 5		54,629	51,046	3,583
	24 Total operating and administrative expenses.		131,614	128,031	3,583
	Add lines 13 through 23				44,263
	25 Contributions, gifts, grants paid SEE STATEMENT 6		185,550		185,550
	26 Total expenses and disbursements. Add lines 24 and 25		317,164	128,031	3,583
	27 Subtract line 26 from line 12		-66,606		
	a Excess of revenue over expenses and disbursements			184,801	
	b Net investment income (if negative, enter -0-)				
	c Adjusted net income (if negative, enter -0-)			0	

For Paperwork Reduction Act Notice, see instructions.

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Form 990-PF (2019)

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Batched In

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Assets	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	
			20,510	0	20,510	0	20,510	0
1	Cash – non-interest-bearing		1,026,410		147,669		147,669	
2	Savings and temporary cash investments		501,176		515,214		515,214	
3	Accounts receivable ►							
	Less allowance for doubtful accounts ►				20,510		20,510	
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 (att. schedule) ►							
	Less allowance for doubtful accounts ►							
8	Inventories for sale or use							
9	Prepaid expenses and deferred charges							
10a	Investments – U.S. and state government obligations (attach schedule)							
b	Investments – corporate stock (attach schedule)	SEE STATEMENT 7	6,493,323		2,288,962		1,978,093	
c	Investments – corporate bonds (attach schedule)	SEE STATEMENT 8	427,450		1,027,842		1,102,000	
11	Investments – land, buildings, and equipment basis ►							
	Less accumulated depreciation (attach sch) ►							
12	Investments – mortgage loans							
13	Investments – other (attach schedule)	SEE STATEMENT 9	2,310,050		6,364,461		6,851,960	
14	Land, buildings, and equipment basis ►							
	Less accumulated depreciation (attach sch) ►							
15	Other assets (describe ►)							
16	Total assets (to be completed by all filers – see the instructions Also, see page 1, item I)							
			10,758,409		10,373,190		10,623,978	
Liabilities	17	Accounts payable and accrued expenses						
	18	Grants payable						
	19	Deferred revenue						
20	Loans from officers, directors, trustees, and other disqualified persons							
21	Mortgages and other notes payable (attach schedule)							
22	Other liabilities (describe ►)							
23	Total liabilities (add lines 17 through 22)			0		0		
Net Assets or Fund Balances	Foundations that follow FASB ASC 958, check here and complete lines 24, 25, 29, and 30.			► <input checked="" type="checkbox"/>				
	24	Net assets without donor restrictions			10,758,409		10,373,190	
	25	Net assets with donor restrictions						
Foundations that do not follow FASB ASC 958, check here and complete lines 26 through 30.			► <input type="checkbox"/>					
26	Capital stock, trust principal, or current funds							
27	Paid-in or capital surplus, or land, bldg, and equipment fund							
28	Retained earnings, accumulated income, endowment, or other funds							
29	Total net assets or fund balances (see instructions)				10,758,409		10,373,190	
30	Total liabilities and net assets/fund balances (see instructions)				10,758,409		10,373,190	
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	10,758,409
2	Enter amount from Part I, line 27a						2	-66,606
3	Other increases not included in line 2 (itemize) ► SEE STATEMENT 10						3	44,641
4	Add lines 1, 2, and 3						4	10,736,444
5	Decreases not included in line 2 (itemize) ► SEE STATEMENT 11						5	363,254
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 29						6	10,373,190

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 SEE WORKSHEET				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) ((e) plus (f) minus (g))	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any		
a				
b				
c				
d				
e				
2 Capital gain net income or (net capital loss)	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7		2	64,165
3 Net short term capital gain or (loss) as defined in sections 1222(5) and (6)	If gain, also enter in Part I, line 8, column (c) See instructions If (loss), enter -0- in Part I, line 8		3	40,056

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	68,022	6,526,196	0.010423
2017			
2016			
2015			
2014			

2 Total of line 1, column (d)

2 0.010423

3 Average distribution ratio for the 5-year base period – divide the total on line 2 by 5.0, or by the number of years the foundation has been in existence if less than 5 years

3 0.010423

4 Enter the net value of noncharitable-use assets for 2019 from Part X, line 5

4 10,038,890

5 Multiply line 4 by line 3

5 104,635

6 Enter 1% of net investment income (1% of Part I, line 27b)

6 1,848

7 Add lines 5 and 6

7 106,483

8 Enter qualifying distributions from Part XII, line 4

8 229,813

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter (attach copy of letter if necessary—see instructions)	1,848
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	
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-)	
3	Add lines 1 and 2	
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only, others, enter -0-)	
5	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-	
6	Credits/Payments	
a	2019 estimated tax payments and 2018 overpayment credited to 2019	8,532
b	Exempt foreign organizations – tax withheld at source	
c	Tax paid with application for extension of time to file (Form 8868)	
d	Backup withholding erroneously withheld	
7	Total credits and payments Add lines 6a through 6d	8,532
8	Enter any penalty for underpayment of estimated tax Check here <input checked="" type="checkbox"/> if Form 2220 is attached	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	6,684
11	Enter the amount of line 10 to be Credited to 2020 estimated tax ►	
	Refunded ►	11

Part VII-A Statements Regarding Activities

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?	X
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes? See the instructions for the definition If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities	
c	Did the foundation file Form 1120-POL for this year?	
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ► \$ _____ (2) On foundation managers ► \$ _____	
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► \$ _____	
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities	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	
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by <i>General Instruction T</i>	
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?	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	
8a	Enter the states to which the foundation reports or with which it is registered See instructions ► TX	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 <i>General Instruction G</i> ? If "No," attach explanation	
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 instructions for Part XIV If "Yes," complete Part XIV	X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	

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	<input checked="" type="checkbox"/>
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	<input checked="" type="checkbox"/>
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	<input checked="" type="checkbox"/>

14 The books are in care of ► **JOHN D HARKEY JR (FOUNDING DIRECTOR Telephone no ► 972-888-8199**
12200 STEMMONS FWY., SUITE 100

Located at ► **DALLAS****TX****ZIP+4 ► 75234**

		Yes	No
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	<input type="checkbox"/>
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? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ►	16	<input checked="" type="checkbox"/>

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?	<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
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	N/A	► <input type="checkbox"/>
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	<input checked="" type="checkbox"/>
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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	If "Yes," list the years ► 20 , 20 , 20 , 20		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement – see instructions)	N/A	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► 20 , 20 , 20 , 20	2b	
3a	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 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)	N/A	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	3b	
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?	4a	<input checked="" type="checkbox"/>
		4b	<input checked="" type="checkbox"/>

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

5a	During the year did the foundation pay or incur any amount to	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Yes	No
(1)	Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? See instructions	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 Organizations relying on a current notice regarding disaster assistance, check here	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	N/A	5b
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? If "Yes," attach the statement required by Regulations section 53.4945–5(d)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	N/A	
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		6b
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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
SEE STATEMENT 12				

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

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Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3 Five highest-paid independent contractors for professional services. See instructions. If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services ► **0****Part IX-A Summary of Direct Charitable Activities**

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

Expenses

1 N/A**2****3****4****Part IX-B Summary of Program-Related Investments (see instructions)**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

Amount

1 N/A**2**

All other program-related investments. See instructions

3**Total. Add lines 1 through 3** ►

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	5,637,055
b	Average of monthly cash balances	1b	1,630,006
c	Fair market value of all other assets (see instructions)	1c	2,924,705
d	Total (add lines 1a, b, and c)	1d	10,191,766
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	10,191,766
4	Cash deemed held for charitable activities Enter 1½% of line 3 (for greater amount, see instructions)	4	152,876
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	10,038,890
6	Minimum investment return. Enter 5% of line 5	6	501,945

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	501,945
2a	Tax on investment income for 2019 from Part VI, line 5	2a	1,848
b	Income tax for 2019 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	1,848
3	Distributable amount before adjustments Subtract line 2c from line 1	3	500,097
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	500,097
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	500,097

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes	1a	229,813
a	Expenses, contributions, gifts, etc. – total from Part I, column (d), line 26	1b	
b	Program-related investments – total from Part IX-B	2	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	3a	
3	Amounts set aside for specific charitable projects that satisfy the	3b	
a	Suitability test (prior IRS approval required)	4	229,813
b	Cash distribution test (attach the required schedule)	5	1,848
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	6	227,965
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		
6	Adjusted qualifying distributions. Subtract line 5 from line 4		

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 2018	(c) 2018	(d) 2019
1 Distrbutable amount for 2019 from Part XI, line 7				500,097
2 Undistrbutable income, if any, as of the end of 2019			37,872	
a Enter amount for 2018 only				
b Total for prior years 20_____, 20_____, 20_____				
3 Excess distributions carryover, if any, to 2019				
a From 2014				
b From 2015				
c From 2016				
d From 2017				
e From 2018				
f Total of lines 3a through e				
4 Qualifying distributions for 2019 from Part XII, line 4 ► \$ 229,813			37,872	
a Applied to 2018, but not more than line 2a				
b Applied to undistrbutable income of prior years (Election required – see instructions)				
c Treated as distributions out of corpus (Election required – see instructions)				
d Applied to 2019 distrbutable amount				191,941
e Remaining amount distrbuted out of corpus				
5 Excess distributions carryover applied to 2019 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistrbutable income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistrbutable income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount – see instructions				
e Undistrbutable income for 2018 Subtract line 4a from line 2a Taxable amount – see instructions				
f Undistrbutable income for 2019 Subtract lines 4d and 5 from line 1 This amount must be distrbuted in 2020				308,156
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required—see instructions)				
8 Excess distributions carryover from 2014 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2020. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9				
a Excess from 2015				
b Excess from 2016				
c Excess from 2017				
d Excess from 2018				
e Excess from 2019				

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
CIRCLE TEN COUNCIL 8605 HARRY HINES DALLAS TX 75235		501(C) (3) SUMMIT BECHTEL NAT'L SCOUT RESERVE		150,000
GEORGE W. BUSH PRESIDENTIAL CENTER 2943 SMU BLVD. DALLAS TX 75205		501(C) (3) GENERAL OPERATIONS		20,000
SMU STUDENT FOUNDATION P O BOX 750436 DALLAS TX 75235		501(C) (3) TATE LECTURE SERIES		6,000
UNIVERSITY OF TEXAS P O BOX 7458 AUSTIN TX 78713		501(C) (3) TEXAS MEN'S GOLF CAPITAL PROJECT		5,000
STATE FAIR OF TEXAS P O BOX 150009 DALLAS TX 75315		501(C) (3) GENERAL OPERATIONS		2,500
PARK CITIES QUAIL COALITION 25 HIGHLAND PARK VILLAGE DALLAS TX 75205		501(C) (3) GENERAL OPERATIONS		600
DALLAS FOUNDATION 25 HIGHLAND PARK VILLAGE DALLAS TX 75205		501(C) (3) AWARE ACTIVITY FUND		1,200
TRIUMPH OVER KID CANCER 703 COLEMAN AVENUE CORPUS CHRISTI TX 78401		501(C) (3) GENERAL OPERATIONS		250
Total			► 3a	185,550
b Approved for future payment				
N/A				
Total			► 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue						
a						
b						
c						
d						
e						
f						
g Fees and contracts from government agencies						
2 Membership dues and assessments						
3 Interest on savings and temporary cash investments		211110	827			56,834
4 Dividends and interest from securities		211110	1,264			132,525
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						59,308
8 Gain or (loss) from sales of assets other than inventory						64,165
9 Net income or (loss) from special events						
10 Gross profit or (loss) from sales of inventory						
11 Other revenue a						
b SEE STATEMENT 13			-51,969			-12,396
c						
d						
e						
12 Subtotal Add columns (b), (d), and (e)			-49,878		0	300,436
13 Total. Add line 12, columns (b), (d), and (e)					13	250,558

(See worksheet in line 13 instructions to verify calculations)

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

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

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?

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

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

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.

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		

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

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

✓7.6.2020

PRESIDENT

Date Title

**Paid
Preparer
Use Only**

Print/Type preparer's name

Preparer's signature

Date 1/30/00 Check if self-employed

ANSWER: 1. 1000000

REF ID: B001634EE

**Firm's name ► KHAME & PERNA PLLC
14100 RAILING PARKWAY**

PTIN **P00162455**

Firm's address ► 14180 DALLAS PARKWAY STE 715
DALLAS, TX 75254-4384

Firm's EIN ► **39-2070038**
Phone no **972-851-5900**

Capital Gains and Losses for Tax on Investment Income

Form **990-PF**

2019

For calendar year 2019, or tax year beginning

and ending

Name

Employer Identification Number

HARKEY FAMILY FOUNDATION, INC.

(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)
(1) 100,000 ASIA BKT STEP-UP ISS BONDS		P	07/26/18	09/27/19
(2) 50,000 NIKKEI ARN (ISSUER B OF A)		P	05/24/18	07/19/19
(3) 3,098 SHS. - METLIFE, INC.		P	05/31/18	01/07/19
(4) 5,800 SHS. - FACEBOOK, INC.		P	07/31/18	03/08/19
(5) 10,500 SHS. - INTEL CORP.		P	07/27/18	03/08/19
(6) 8,100 SHS. - QUALCOMM, INC.		P	06/07/18	05/17/19
(7) 12,000 SHS. - UBER TECHNOLOGIES, INC		P	05/13/19	05/15/19
(8) 10,000 SHS. - COMPASS MINERALS INT'L		P	02/12/19	06/20/19
(9) 45,000 SHS. - PETROLEO BRASIL ADR		P	05/21/19	06/06/19
(10) 8,100 SHS. - LAS VEGAS SANDS CORP.		P	09/06/18	07/11/19
(11) 14,000 SHS. - FIRST REPUBLIC BANK		P	06/05/18	08/12/19
(12) 8,000 SHS. - ADAPTIVE BIOTECH. CORP.		P	09/30/19	10/31/19
(13) 9,500 SHS. - BRISTOL-MYERS CORP.		P	06/07/18	10/31/19
(14) 31,500 SHS. - THE CONTAINER STORE		P	05/15/19	10/31/19
(15) 31,500 SHS. - THE CONTAINER STORE		P	07/09/19	10/31/19

(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)
(1) 951,728		1,000,000	-48,272
(2) 476,980		500,000	-23,020
(3) 77,449		77,450	-1
(4) 979,226		993,864	-14,638
(5) 549,038		502,781	46,257
(6) 651,469		495,854	155,615
(7) 469,425		440,992	28,433
(8) 575,857		525,856	50,001
(9) 665,661		627,269	38,392
(10) 505,555		496,556	8,999
(11) 363,992		350,000	13,992
(12) 202,921		244,400	-41,479
(13) 548,339		499,638	48,701
(14) 130,137		248,938	-118,801
(15) 130,137		240,471	-110,334

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))
(1) -48,272			
(2) -23,020			
(3) -1			
(4) -14,638			
(5) 46,257			
(6) 155,615			
(7) 28,433			
(8) 50,001			
(9) 38,392			
(10) 8,999			
(11) 13,992			
(12) -41,479			
(13) 48,701			
(14) -118,801			
(15) -110,334			

Capital Gains and Losses for Tax on Investment Income

Form **990-PF**

2019

For calendar year 2019, or tax year beginning _____, and ending _____

Name _____ Employer Identification Number _____

HARKEY FAMILY FOUNDATION, INC.

90-0796600

(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)
(1) 4,200 SHS. - GUARDANT HEALTH, INC.		P	10/09/19	10/31/19
(2) 17,500 SHS. - MODERNA, INC.		P	07/12/19	10/31/19
(3) 14,000 UNITS - MPLX, LP		P	08/21/18	10/31/19
(4) 13,700 SHS. - OCCIDENTAL PETR. CORP.		P	06/06/19	10/31/19
(5) 8,500 SHOCKWAVE MEDICAL, INC.		P	09/30/19	10/31/19
(6) 17,500 UNITS - A-B HOLDINGS, LP		P	08/06/18	10/31/19
(7) ALLIANCE-BERNSTEIN HOLDINGS, LP (ST)		P	01/01/19	10/31/19
(8) ALLIANCE-BERNSTEIN HOLDINGS, LP (LT)		P	08/06/18	10/31/19
(9) MPLX, LP (ST)		P	01/01/19	10/31/19
(10) DORCHESTER MINERALS, LP (LT)		P	08/06/18	12/31/19
(11) A-B HOLDINGS, LP (SEC. 1231 GAIN)		P	08/06/18	10/31/19
(12) ENERGY TRANSFER, LP (SEC. 1231 LOSS)		P	06/28/18	12/31/19
(13) MPLX, LP (SEC. 1231 LOSS)		P	08/31/18	10/31/19
(14)				
(15)				

(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)
(1) 297,026		250,611	46,415
(2) 295,424		251,996	43,428
(3) 370,421		371,412	-991
(4) 552,499		664,823	-112,324
(5) 273,439		252,875	20,564
(6) 508,026		476,743	31,283
(7)		1,851	-1,851
(8) 2,064			2,064
(9) 1,380			1,380
(10) 12			12
(11) 519			519
(12)		134	-134
(13)		45	-45
(14)			
(15)			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
(1)			46,415
(2)			43,428
(3)			-991
(4)			-112,324
(5)			20,564
(6)			31,283
(7)			-1,851
(8)			2,064
(9)			1,380
(10)			12
(11)			519
(12)			-134
(13)			-45
(14)			
(15)			

90-0796600

Federal Statements

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

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
A B HOLDING LP (OTHER)	\$ 59,103	\$ 59,205	\$ -12,396
DORCHESTER MINERALS, LP	59,205	-12,396	34,221
ALLIANCE BERNSTEIN HOLDING LP	-12,396	34,221	=136,786
ALLIANCE BERNSTEIN HOLDING LP	34,221	-42,106	-42,106
ENERGY TRANSFER LP	=136,786	-42,106	-44,084
MPLX LP	-42,106	-44,084	136,786
MPLX, LP (SUSP. PAL FROM '18)	-44,084	136,786	\$ -5,057
NONDEDUCTIBLE PTP LOSS	136,786	\$ 59,308	\$ -64,365
TOTAL	\$ 59,308		

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
LAN, SMITH, SOSOLIK, PLLC	\$ 4,539	\$ 4,539	\$ 4,539	\$ 4,539
TOTAL	\$ 4,539	\$ 4,539	0	\$ 4,539

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
RHAME & PERNIA, PLLC	\$ 6,940	\$ 6,940	\$ 6,940	\$ 6,940
TOTAL	\$ 6,940	\$ 6,940	0	\$ 6,940

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
MERRILL LYNCH (X2477) - FOREIGN TA	\$ 352	\$ 352	\$ 0	\$ 0
TOTAL	\$ 352	\$ 352	0	\$ 0

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Federal Statements

Statement 5 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
EXPENSES				
BANK CHARGES	\$ 537	\$ 537	\$ 537	\$ 537
INVESTMENT ADVISORY FEES (X244)	\$ 35,830	\$ 32,247	\$ 3,583	\$ 32,247
AB HOLDING, LP (CHARITABLE)	\$ 324	\$ 324		
AB HOLDING, LP (OTHER PORTFOLIO)	\$ 229	\$ 229		
AB HOLDING, LP (NONDEDUCTIBLE)	\$ 6,661	\$ 6,661		
DORCHESTER MINERALS, LP (ROYALTY ENERGY TRANSFER, LP (CHARITABLE)	\$ 10,417	\$ 10,417		
ENERGY TRANSFER, LP (NONDEDUCTIBLE)	\$ 134	\$ 134		
MPLX, LP (CHARITABLE)	\$ 380	\$ 380		
MPLX, LP (NONDEDUCTIBLE)	\$ 9	\$ 9		
TOTAL	\$ 54,629	\$ 51,046	\$ 3,583	\$ 32,784

Statement 6 - Form 990-PF, Part I, Line 25 - Noncash Contributions, Gifts, Grants

Noncash Description	FMV Explanation	Book Value Amount	Book Value Explanation	Date
150,000				2/12/19
20,000				3/20/19
6,000				8/05/19
5,000				9/12/19
600				11/01/19
1,200				11/20/19

Statement 7 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
MERRILL LYNCH (X2468)	\$ 2,500,000	\$ 2,288,962	COST	\$ 1,978,093
MERRILL LYNCH (X2477)	\$ 3,993,323	\$ 2,288,962	COST	\$ 1,978,093
TOTAL	\$ 6,493,323	\$ 2,288,962		

90-0796600

Federal Statements**Statement 8 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>	<u>Fair Market Value</u>
MERRILL LYNCH (X2468)	\$ 427,450	\$ 1,027,842	COST	\$ 1,102,000
TOTAL	\$ 427,450	\$ 1,027,842		\$ 1,102,000

Statement 9 - Form 990-PF, Part II, Line 13 - Other Investments

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>	<u>Fair Market Value</u>
ALLIANCE BERNSTEIN HOLDING, LP	\$ 495,602	\$ 412,258	COST	\$ 526,770
DORCHESTER MINERALS LP	477,897	5,952,203	COST	6,325,190
ENERGY TRANSFER LP	888,043		COST	
MPLX LP	448,508		COST	
TOTAL	\$ 2,310,050	\$ 6,364,461		\$ 6,851,960

Federal Statements**Statement 10 - Form 990-PF, Part III, Line 3 - Other Increases**

Description	Amount
PRIOR PERIOD ADJUSTMENT	\$ 557
REVERSE SUSPENDED PAL FROM 2018	44,084
TOTAL	\$ 44,641

Statement 11 - Form 990-PF, Part III, Line 5 - Other Decreases

Description	Amount
2018 EXCISE TAX ON NET INVESTMENT INCOME	\$ 226,468
REVERSE DISALLOWED PASSIVE LOSSES	136,786
TOTAL	\$ 363,254

90-0796600

Federal Statements

Statement 12 - Form 990-PF. Part VIII. Line 1 - List of Officers, Directors, Trustees.

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
<u>Etc.</u>					
JOHN D. HARKEY (FOUNDING DIRECTOR) 14 CANYON CREEK BROWNWOOD TX 76801	PRESIDENT	0.00	0	0	0
LUCY L. HARKEY (FOUNDING DIRECTOR) 14 CANYON CREEK BROWNWOOD TX 76801	SECRETARY	0.00	0	0	0
JOHN D HARKEY JR (FOUNDING DIRECTOR) 12200 STEMMONS FWY., SUITE 100 DALLAS TX 75234	V P AND T	0.00	0	0	0
PENI BARFIELD (OUTSIDE DIRECTOR) 12200 STEMMEONS FWY., SUITE 100 DALLAS TX 75234		0.00	0	0	0
MICHAEL D GINSBERG (OUTSIDE DIRECTOR) 917 WEST LYNN AUSTIN TX 78703		0.00	0	0	0

Federal Statements

Form 990-PF, Part XV, Line 1a - Managers Who Contributed Over 2% or \$5,000

Name of Manager	Amount
JDH LIFE SCIENCES, INC. (J. D. HARKEY, JR., PRES.)	\$ _____
TOTAL	\$ _____ 0

Statement 13 - Form 990-PF, Part XVI-A, Line 11 - Other Revenue

Description	Business Code	Unrelated Amount	Exclusion Code	Exclusion Amount	Related Income
ALLIANCE BERNSTEIN HOLDING		\$		\$	\$ -12,396
ALLIANCE BERNSTEIN HOLDING	211110	34,221			
ENERGY TRANSFER LP	211110	-136,786			
MPLX LP	211110	-42,106			
MPLX, LP (SUSP. PAL FROM '1	211110	-44,084			
NONDEDUCTIBLE PTP LOSS	211110	136,786			
TOTAL		\$ -51,969		\$ 0	\$ -12,396

Underdistribution and Excess Distributions for Part XIII

Form **990-PF**

2019

For calendar year 2019, or tax year beginning _____, ending _____

Name

Employer Identification Number
90-0796600

HARKEY FAMILY FOUNDATION, INC.

Undistributed Income Carryovers

Form 990-PF, Part XIII

Tax Year	Prior Undistributed Income			Current Year Decreases	Next Year Carryover	
	Nontaxable or Previously Taxed	Taxable in 2019	Total per Year		Nontaxable or Previously Taxed	Taxable in 2020
Years prior						
20 15						
20 16						
20 17						
2018		37,872	37,872	37,872		
2019			500,097	191,941		308,156
Total Carryover to Next Year						308,156

* Carryover amount includes 4942(a) amounts

Excess Distribution Carryovers

Form 990-PF, Part XIII

Preceding Tax Year Excess Distributions	Current Year	Next Year
	Decreases	Carryover
2014		
2015		
2016		
2017		
2018		
Current Year Excess Distribution Generated (2019)		0
Total Carryover to Next Year		0