

# JANET I. BENDER, CPA, PC

Certified Public Accountant

*Mailing Address only:*  
PO Box 4845  
Midland, TX 79704

*Phone:*  
432-682-9996

*Fax:*  
432-682-9997

*Physical Location:*  
3525 Andrews Hwy.  
Midland, TX 79703

The Henry Foundation  
3525 Andrews Hwy  
Midland, TX 79703

Dear Terry,

Enclosed in duplicate is the 2013 U.S. Form 990-PF, Return of Private Foundation, for The Henry Foundation for the tax year ending December 31, 2013.

One copy of the return should be signed and dated by an authorized officer or fiduciary and mailed on or before May 15, 2014 to:

Department of the Treasury  
Internal Revenue Service Center  
Ogden, UT 84201-0027

No payment is required. The overpayment of \$218 will be credited to next year's estimated tax.

The second copy of the return should be signed and dated by an authorized officer or fiduciary and mailed on or before May 15, 2014 to:

Texas Office of the Attorney General  
300 W. 15<sup>th</sup> Street  
Austin, TX 78701

No payment is required. The overpayment of \$218 will be credited to next year's estimated tax.

We very much appreciate the opportunity to serve you. If you have any questions regarding this return, please do not hesitate to call.

Sincerely,

Janet Bender

**Return of Private Foundation  
or Section 4947(a)(1) Trust Treated as Private Foundation**

**2013**

Department of the Treasury  
Internal Revenue Service

▶ **Do not enter Social Security numbers on this form as it may be made public.**  
▶ **Information about Form 990-PF and its separate instructions is at [www.irs.gov/form990pf](http://www.irs.gov/form990pf).**

**For calendar year 2013, or tax year beginning , 2013, and ending**

Name of foundation <b>The Henry Foundation</b>		<b>A</b> Employer identification number 20-5861163
Number and street (or P.O. box number if mail is not delivered to street address) <b>3525 Andrews Hwy</b>	Room/suite	<b>B</b> Telephone number (see the instructions) (432) 694-3000
City or town, state or province, country, and ZIP or foreign postal code <b>Midland TX 79703</b>		<b>C</b> If exemption application is pending, check here . ▶ <input type="checkbox"/>
<b>G</b> Check all that apply:		<b>D</b> 1 Foreign organizations, check here . . . . . ▶ <input type="checkbox"/>
<input type="checkbox"/> Initial return <input type="checkbox"/> Initial Return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		2 Foreign organizations meeting the 85% test, check here and attach computation . . . . . ▶ <input type="checkbox"/>
<b>H</b> Check type of organization:		<b>E</b> If private foundation status was terminated under section 507(b)(1)(A), check here . . . . . ▶ <input type="checkbox"/>
<input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation		<b>F</b> If the foundation is in a 60-month termination under section 507(b)(1)(B), check here . . . . . ▶ <input type="checkbox"/>
<b>I</b> Fair market value of all assets at end of year (from Part II, column (c), line 16) ▶ \$ <b>811,912.</b>	<b>J</b> Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis.)	

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>Part I Analysis of Revenue and Expenses</b> (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)				
<b>REVENUE</b>				
<b>1</b> Contributions, gifts, grants, etc. received (att sch) . . . . .	2,000,000.			
<b>2</b> Ck ▶ <input type="checkbox"/> if the foundn is <b>not</b> req to att Sch B				
<b>3</b> Interest on savings and temporary cash investments . . . . .	897.	897.		
<b>4</b> Dividends and interest from securities . . . . .				
<b>5a</b> Gross rents . . . . .				
<b>b</b> Net rental income or (loss) . . . . .				
<b>6a</b> Net gain/(loss) from sale of assets not on line 10				
<b>b</b> Gross sales price for all assets on line 6a . . . . .				
<b>7</b> Capital gain net income (from Part IV, line 2) . . . . .				
<b>8</b> Net short-term capital gain . . . . .				
<b>9</b> Income modifications . . . . .				
<b>10a</b> Gross sales less returns and allowances . . . . .				
<b>b</b> Less: Cost of goods sold . . . . .				
<b>c</b> Gross profit/(loss) (att sch) . . . . .				
<b>11</b> Other income (attach schedule) . . . . .				
<b>12 Total.</b> Add lines 1 through 11 . . . . .	2,000,897.	897.		
<b>ADMINISTRATIVE AND EXPENSES</b>				
<b>13</b> Compensation of officers, directors, trustees, etc . . . . .	141,451.			
<b>14</b> Other employee salaries and wages . . . . .	42,483.			
<b>15</b> Pension plans, employee benefits . . . . .	45,566.			
<b>16a</b> Legal fees (attach schedule) . . . . .				
<b>b</b> Accounting fees (attach sch) . . . . .	2,140.			
<b>c</b> Other prof fees (attach sch) . . . . .	350.			
<b>17</b> Interest . . . . .				
<b>18</b> Taxes (attach schedule)(see instrs) Payroll Tax Expense.	12,334.			
<b>19</b> Depreciation (attach sch) and depletion . . . . .	3,776.			
<b>20</b> Occupancy . . . . .				
<b>21</b> Travel, conferences, and meetings . . . . .	1,718.			
<b>22</b> Printing and publications . . . . .	2,421.			
<b>23</b> Other expenses (attach schedule) See Line 23 Stmt	13,056.			
<b>24 Total operating and administrative expenses.</b> Add lines 13 through 23 . . . . .	265,295.			
<b>25</b> Contributions, gifts, grants paid . . . . .	2,863,014.			
<b>26 Total expenses and disbursements.</b> Add lines 24 and 25 . . . . .	3,128,309.			
<b>27</b> Subtract line 26 from line 12:				
<b>a Excess of revenue over expenses and disbursements</b> . . . . .	-1,127,412.			
<b>b Net investment income</b> (if negative, enter -0-) . . . . .		897.		
<b>c Adjusted net income</b> (if negative, enter -0-) . . . . .				

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)			
		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
ASSETS	1	Cash — non-interest-bearing . . . . .			
	2	Savings and temporary cash investments . . . . .	1,926,077.	802,472.	802,472.
	3	Accounts receivable . . . . . ▶			
		Less: allowance for doubtful accounts ▶			
	4	Pledges receivable . . . . . ▶			
		Less: allowance for doubtful accounts ▶			
	5	Grants receivable . . . . .			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions) . . . . .			
	7	Other notes and loans receivable (attach sch) . . . . . ▶			
		Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use . . . . .			
	9	Prepaid expenses and deferred charges . . . . .			
	10a	Investments — U.S. and state government obligations (attach schedule) . . . . .			
		b Investments — corporate stock (attach schedule) . . . . .			
		c Investments — corporate bonds (attach schedule) . . . . .			
	11	Investments — land, buildings, and equipment: basis . . . . . ▶			
	Less: accumulated depreciation (attach schedule) . . . . . ▶				
12	Investments — mortgage loans . . . . .				
13	Investments — other (attach schedule) . . . . .				
14	Land, buildings, and equipment: basis ▶ 15,419.				
	Less: accumulated depreciation (attach schedule) . . . . . L-14 Stmt ▶ 5,979.	13,216.	9,440.	9,440.	
15	Other assets (describe ▶ )				
16	<b>Total assets</b> (to be completed by all filers — see the instructions. Also, see page 1, item l). . . . .	1,939,293.	811,912.	811,912.	
LIABILITIES	17	Accounts payable and accrued expenses . . . . .			
	18	Grants payable . . . . .			
	19	Deferred revenue . . . . .			
	20	Loans from officers, directors, trustees, & other disqualified persons . . . . .			
	21	Mortgages and other notes payable (attach schedule) . . . . .			
	22	Other liabilities (describe ▶ L-22 Stmt )	165.	196.	
	23	<b>Total liabilities</b> (add lines 17 through 22) . . . . .	165.	196.	
NET ASSETS OR FUND BALANCES	<b>Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.</b> . . . . . ▶				
	24	Unrestricted . . . . .			
	25	Temporarily restricted . . . . .			
	26	Permanently restricted . . . . .			
	<b>Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.</b> . . . . . ▶ <input checked="" type="checkbox"/>				
	27	Capital stock, trust principal, or current funds . . . . .	1,939,128.	811,716.	
	28	Paid-in or capital surplus, or land, building, and equipment fund . . . . .			
	29	Retained earnings, accumulated income, endowment, or other funds . . . . .			
30	<b>Total net assets or fund balances</b> (see instructions) . . . . .	1,939,128.	811,716.		
31	<b>Total liabilities and net assets/fund balances</b> (see instructions) . . . . .	1,939,293.	811,912.		

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

1	Total net assets or fund balances at beginning of year — Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return) . . . . .	1	1,939,128.
2	Enter amount from Part I, line 27a . . . . .	2	-1,127,412.
3	Other increases not included in line 2 (itemize) . . . . . ▶	3	
4	Add lines 1, 2, and 3 . . . . .	4	811,716.
5	Decreases not included in line 2 (itemize) . . . . . ▶ <u>Income Taxes</u>	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30 . . . . .	6	811,716.

**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 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1 a			
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			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a			
b			
c			
d			
e			

2	Capital gain net income or (net capital loss). <span style="float:right">[ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 ]</span>	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) (see instructions). If (loss), enter -0- in Part I, line 8 . . . . . ]	3	

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? . . . . .  Yes  No

If 'Yes,' the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see 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 (column (b) divided by column (c))
2012	4,800.	898,626.	0.005341
2011	50,000.	800,766.	0.062440
2010	453,071.	978,449.	0.463050
2009	4,981.	985,916.	0.005052
2008	0.	82,090.	0.000000

2	Total of line 1, column (d) . . . . .	2	0.535883
3	Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years . . . . .	3	0.107177
4	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5. . . . .	4	917,948.
5	Multiply line 4 by line 3 . . . . .	5	98,383.
6	Enter 1% of net investment income (1% of Part I, line 27b) . . . . .	6	9.
7	Add lines 5 and 6. . . . .	7	98,392.
8	Enter qualifying distributions from Part XII, line 4 . . . . .	8	2,863,014.

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)**

<b>1 a</b> 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 instrs)		
<b>b</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	<b>1</b>	9.
<b>c</b> All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)		
<b>2</b> Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	<b>2</b>	0.
<b>3</b> Add lines 1 and 2	<b>3</b>	9.
<b>4</b> Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	<b>4</b>	0.
<b>5 Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-	<b>5</b>	9.
<b>6 Credits/Payments:</b>		
<b>a</b> 2013 estimated tax pmts and 2012 overpayment credited to 2013	<b>6 a</b>	227.
<b>b</b> Exempt foreign organizations – tax withheld at source	<b>6 b</b>	
<b>c</b> Tax paid with application for extension of time to file (Form 8868)	<b>6 c</b>	
<b>d</b> Backup withholding erroneously withheld	<b>6 d</b>	
<b>7</b> Total credits and payments. Add lines 6a through 6d	<b>7</b>	227.
<b>8</b> Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	<b>8</b>	
<b>9 Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	<b>9</b>	
<b>10 Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	<b>10</b>	218.
<b>11</b> Enter the amount of line 10 to be: <b>Credited to 2014 estimated tax</b> Refunded	<b>11</b>	218.

**Part VII-A Statements Regarding Activities**

	Yes	No
<b>1 a</b> 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>b</b> Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)? <i>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.</i>		X
<b>c</b> Did the foundation file <b>Form 1120-POL</b> for this year?		X
<b>d</b> Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation \$ _____ (2) On foundation managers \$ _____		
<b>e</b> Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$ _____		
<b>2</b> Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities.</i>		X
<b>3</b> 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? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
<b>4 a</b> Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
<b>b</b> If 'Yes,' has it filed a tax return on <b>Form 990-T</b> for this year?		
<b>5</b> Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T.</i>		X
<b>6</b> 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	
<b>7</b> Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XV.</i>	X	
<b>8 a</b> Enter the states to which the foundation reports or with which it is registered (see instructions) _____ TX - Texas		
<b>b</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> ? <i>If 'No,' attach explanation</i>	X	
<b>9</b> 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 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
<b>10</b> Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>		X

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Form 990-PF (2013)

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

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)	11		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? Website address . . . . . <u>N/A</u>	13	X	
14	The books are in care of <u>Terry R. Creech CPA</u> Telephone no. <u>(432) 694-3000</u> Located at <u>3525 Andrews Hwy Midland TX</u> ZIP + 4 <u>79703</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year . . . . . <u>15</u>			
16	At any time during calendar year 2013, 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 Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country <u></u>				

**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
1 a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <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)? <input type="checkbox"/> Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1 b	
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 2013?	1 c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'Yes,' list the years <u>20__ , 20__ , 20__ , 20__ .</u>		
b	Are there any years listed in 2a for which the foundation is <b>not</b> applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement - see instructions.)	2 b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. <u>20__ , 20__ , 20__ , 20__ .</u>		
3 a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If 'Yes,' did it have excess business holdings in 2013 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2013.)	3 b	
4 a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2013?	4 b	X

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

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

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?. . . . .  Yes  No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? . . . . .  Yes  No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? . . . . .  Yes  No
- (4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) . . . . .  Yes  No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? . . . . .  Yes  No

**b** If any answer is 'Yes' to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? . . . . . **5 b**

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

**c** If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? . . . . .  Yes  No  
 If 'Yes,' attach the statement required by Regulations section 53.4945-5(d).

**6 a** Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .  Yes  No

**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . . **6 b**  Yes  No  
 If 'Yes' to 6b, file Form 8870.

**7 a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? . . . . .  Yes  No

**b** If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction? . . . . . **7 b**

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

**1 List all officers, directors, trustees, 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
James C. Henry 3525 Andrews Hwy, Ste 200 Midland TX 79703	President	0.00	0.	0.
Paula A. Henry 3525 Andrews Hwy, Ste 200 Midland TX 79703	Vice Pres.	0.00	0.	0.
Terry Creech 3525 Andrews Hwy, Ste 200 Midland TX 79703	Vice Pres.	0.00	0.	0.
See Information about Officers, Directors, Trustees, Etc.				
		0.	0.	0.

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

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Lael Cordes-Pitts 2311 Culpepper Dr. Midland TX 79705	Executive Director	40.00	141,451.	7,812.

**Total** number of other employees paid over \$50,000 . . . . . **1**

**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		
-----		
-----		
-----		
-----		
<b>Total</b> number of others receiving over \$50,000 for professional services . . . . . ▶		None

**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 None	
-----	0.
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 None	
-----	0.
2	
-----	
3 All other program-related investments. See instructions.	
-----	
<b>Total.</b> Add lines 1 through 3 . . . . . ▶	

BAA



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

<b>1</b> Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes:		
<b>a</b> Average monthly fair market value of securities . . . . .	<b>1 a</b>	
<b>b</b> Average of monthly cash balances . . . . .	<b>1 b</b>	931,927.
<b>c</b> Fair market value of all other assets (see instructions) . . . . .	<b>1 c</b>	
<b>d Total</b> (add lines 1a, b, and c) . . . . .	<b>1 d</b>	931,927.
<b>e</b> Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) . . . . .	<b>1 e</b>	
<b>2</b> Acquisition indebtedness applicable to line 1 assets . . . . .	<b>2</b>	
<b>3</b> Subtract line 2 from line 1d . . . . .	<b>3</b>	931,927.
<b>4</b> Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions) . . . . .	<b>4</b>	13,979.
<b>5 Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4. . . . .	<b>5</b>	917,948.
<b>6 Minimum investment return.</b> Enter 5% of line 5 . . . . .	<b>6</b>	45,897.

**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.)

<b>1</b> Minimum investment return from Part X, line 6 . . . . .	<b>1</b>	45,897.
<b>2 a</b> Tax on investment income for 2013 from Part VI, line 5 . . . . .	<b>2 a</b>	9.
<b>b</b> Income tax for 2013. (This does not include the tax from Part VI.) . . . . .	<b>2 b</b>	
<b>c</b> Add lines 2a and 2b . . . . .	<b>2 c</b>	9.
<b>3</b> Distributable amount before adjustments. Subtract line 2c from line 1 . . . . .	<b>3</b>	45,888.
<b>4</b> Recoveries of amounts treated as qualifying distributions . . . . .	<b>4</b>	
<b>5</b> Add lines 3 and 4. . . . .	<b>5</b>	45,888.
<b>6</b> Deduction from distributable amount (see instructions) . . . . .	<b>6</b>	
<b>7 Distributable amount</b> as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1 . . . . .	<b>7</b>	45,888.

**Part XII Qualifying Distributions** (see instructions)

<b>1</b> Amounts paid (including administrative expenses) to accomplish charitable, etc, purposes:		
<b>a</b> Expenses, contributions, gifts, etc — total from Part I, column (d), line 26 . . . . .	<b>1 a</b>	2,863,014.
<b>b</b> Program-related investments — total from Part IX-B. . . . .	<b>1 b</b>	0.
<b>2</b> Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes . . . . .	<b>2</b>	
<b>3</b> Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b> Suitability test (prior IRS approval required) . . . . .	<b>3 a</b>	
<b>b</b> Cash distribution test (attach the required schedule) . . . . .	<b>3 b</b>	
<b>4 Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4 . . . . .	<b>4</b>	2,863,014.
<b>5</b> 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) . . . . .	<b>5</b>	9.
<b>6 Adjusted qualifying distributions.</b> Subtract line 5 from line 4 . . . . .	<b>6</b>	2,863,005.

**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 2012	(c) 2012	(d) 2013
1 Distributable amount for 2013 from Part XI, line 7 . . . . .				45,888.
2 Undistributed income, if any, as of the end of 2013:				
a Enter amount for 2012 only . . . . .			0.	
b Total for prior years: 20 __, 20 __, 20 __				
3 Excess distributions carryover, if any, to 2013:				
a From 2008 . . . . .	0.			
b From 2009 . . . . .	0.			
c From 2010 . . . . .	315,919.			
d From 2011 . . . . .	10,193.			
e From 2012 . . . . .	0.			
f <b>Total</b> of lines 3a through e . . . . .	326,112.			
4 Qualifying distributions for 2013 from Part XII, line 4: ▶ \$ <u>2,863,014.</u>				
a Applied to 2012, but not more than line 2a . . . . .				
b Applied to undistributed income of prior years (Election required – see instructions) . . . . .				
c Treated as distributions out of corpus (Election required – see instructions) . . . . .				
d Applied to 2013 distributable amount . . . . .				45,888.
e Remaining amount distributed out of corpus . . . . .	2,817,126.			
5 Excess distributions carryover applied to 2013 . . . . . <i>(If an amount appears in column (d), the same amount must be shown in column (a).)</i>				
6 <b>Enter the net total of each column as indicated below:</b>				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5 . . . . .	3,143,238.			
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 . . . . .				
d Subtract line 6c from line 6b. Taxable amount – see instructions . . . . .		0.		
e Undistributed income for 2012. Subtract line 4a from line 2a. Taxable amount – see instructions . . . . .			0.	
f Undistributed income for 2013. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2014 . . . . .				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions) . . . . .				
8 Excess distributions carryover from 2008 not applied on line 5 or line 7 (see instructions) . . . . .	0.			
9 <b>Excess distributions carryover to 2014.</b> Subtract lines 7 and 8 from line 6a . . . . .	3,143,238.			
10 Analysis of line 9:				
a Excess from 2009 . . . . .	0.			
b Excess from 2010 . . . . .	315,919.			
c Excess from 2011 . . . . .	10,193.			
d Excess from 2012 . . . . .	0.			
e Excess from 2013 . . . . .	2,817,126.			

**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 2013, 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				(e) Total
	(a) 2013	(b) 2012	(c) 2011	(d) 2010	
<b>2 a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed . . . . .					
<b>b</b> 85% of line 2a . . . . .					
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed . . . . .					
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities . . . . .					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c . . . . .					
<b>3</b> Complete 3a, b, or c for the alternative test relied upon:					
<b>a</b> 'Assets' alternative test — enter:					
<b>(1)</b> Value of all assets . . . . .					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i) . . . . .					
<b>b</b> 'Endowment' alternative test — enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed . . . . .					
<b>c</b> 'Support' alternative test — enter:					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) . . . . .					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) . . . . .					
<b>(3)</b> Largest amount of support from an exempt organization . . . . .					
<b>(4)</b> 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).)

James C. Henry

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**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

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

Check here  if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

**a** The name, address, and telephone number or e-mail 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
<b>a Paid during the year</b>				
United Way of Midland 1209 W. Wall Street Midland TX 79701		Non-Profit	Building purchase and renovation.	500,000.
Boy Scouts of America 1101 W. Texas Ave. Midland TX 79701		Non-Profit	Pool repair at Camp near Fort Davis.	50,000.
Greater Ideal Family Life Center 301 S. Tyler Midland TX 79701		Non-Profit	Playground area, fence and equipment.	50,000.
Manor Park, Inc. 2208 N. Loop 250 West Midland TX 79707		Non-Profit	Handicap accessible van purchase.	47,350.
Teen Challenge P.O. Box 251 Midland TX 79702		Non-Profit	Operating support and women's educational room.	90,000.
Boys and Girls Club of Midland, Inc. P.O. Box 284 Midland TX 79702		Non-Profit	Program support for summer and after school.	20,000.
Bynum School P.O. Box 80175 Midland TX 79708		Non-Profit	General operating support.	20,000.
Community Children's Clinic P.O. Box 3328 Midland TX 79702		Non-Profit	General operating support. RX and staff.	40,000.
Family Promise of Midland P.O. Box 7601 Midland TX 79708		Non-Profit	Operating support.	15,000.
See Line 3a statement				
<b>Total</b> .....				<b>3 a</b> 2,030,664.
<b>b Approved for future payment</b>				
Friends of Midland Soccer 1405 Illinois Midland TX 79701		Non-Profit	Beal Park Soccer Complex	50,000.
United Way of Midland 1209 W. Wall Midland TX 79701		Non-Profit	Building purchase and renovation.	610,500.
Midland ISD Education Foundation 615 W. Missouri Midland TX 79701		Non-Profit	Rent/utilities assistance for support services staff.	500,000.
<b>Total</b> .....				<b>3 b</b> 1,160,500.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Table with 5 columns: (a) Business code, (b) Amount, (c) Exclusion code, (d) Amount, (e) Related or exempt function income. Rows include Program service revenue, Fees and contracts from government agencies, Interest on savings, Dividends, Net rental income, Other revenue, and a Total row.

(See worksheet in line 13 instructions to verify calculations.)

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

Table with 2 columns: 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. Row 3 contains the text: 'Investment earnings used to increase value of amounts for the purpose of funding charitable organizations'.

**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) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

**a** Transfers from the reporting foundation to a noncharitable exempt organization of:

- (1)** Cash . . . . . **1 a (1)**  Yes  No
- (2)** Other assets . . . . . **1 a (2)**  Yes  No

**b** Other transactions:

- (1)** Sales of assets to a noncharitable exempt organization . . . . . **1 b (1)**  Yes  No
- (2)** Purchases of assets from a noncharitable exempt organization . . . . . **1 b (2)**  Yes  No
- (3)** Rental of facilities, equipment, or other assets . . . . . **1 b (3)**  Yes  No
- (4)** Reimbursement arrangements . . . . . **1 b (4)**  Yes  No
- (5)** Loans or loan guarantees . . . . . **1 b (5)**  Yes  No
- (6)** Performance of services or membership or fundraising solicitations . . . . . **1 b (6)**  Yes  No

**c** Sharing of facilities, equipment, mailing lists, other assets, or paid employees. . . . . **1 c**  Yes  No

**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

**2 a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?  Yes  No

**b** If 'Yes,' complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship

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.

<b>Sign Here</b>	Signature of officer or trustee		Date	Title	May the IRS discuss this return with the preparer shown below (see instructions)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	Preparer's name		Date	Check <input type="checkbox"/> if self-employed	
<b>Paid Preparer Use Only</b>	Print/Type preparer's name Janet Bender		Preparer's signature	Date	PTIN P00406563
	Firm's name JANET BENDER CPA, P.C.		Firm's address PO BOX 4845 MIDLAND TX 79704-4845		Firm's EIN 26-2910181
			Phone no. (432) 682-9996		

**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**  
▶ **Information about Schedule B (Form 990, 990-EZ, 990-PF) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

OMB No. 1545-0047

**2013**

Name of the organization

The Henry Foundation

Employer identification number

20-5861163

**Organization type** (check one):

**Filers of:**

Form 990 or 990-EZ

**Section:**

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, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

**Special Rules**

For a section 501(c)(3) organization 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) and received from any one contributor, during the year, a contribution 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 a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc, purposes, but these contributions did not total to 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. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc, contributions of \$5,000 or more during the year . . . . . ▶ \$ \_\_\_\_\_

**Caution:** An organization that is not covered by the General Rule and/or the Special Rules does not 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 does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

**BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990EZ,**

Schedule B (Form 990, 990-EZ, or 990-PF) (2013)

or 990-PF.

Name of organization The Henry Foundation	Employer identification number 20-5861163
--	--

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

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	Jim and Paula Henry 3525 Andrews Hwy Midland TX 79703	\$ 2,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
---	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
---	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
---	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
---	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
---	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
---	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)



**Depreciation and Amortization  
(Including Information on Listed Property)**

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return

The Henry Foundation

Business or activity to which this form relates

Form 990-PF page 1

Identifying number

20-5861163

**Part I Election To Expense Certain Property Under Section 179**

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions.	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2012 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2014. Add lines 9 and 10, less line 12	▶ 13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

**Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**

**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2013	17	3,776.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here	▶ <input type="checkbox"/>	

**Section B – Assets Placed in Service During 2013 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19 a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

**Section C – Assets Placed in Service During 2013 Tax Year Using the Alternative Depreciation System**

20 a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

**Part IV Summary (See instructions.)**

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions	22	3,776.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24 a Do you have evidence to support the business/investment use claimed? . . . . . Yes No 24b If 'Yes,' is the evidence written? . . . . . Yes No

Table with 9 columns: (a) Type of property, (b) Date placed in service, (c) Business/investment use percentage, (d) Cost or other basis, (e) Basis for depreciation, (f) Recovery period, (g) Method/Convention, (h) Depreciation deduction, (i) Elected section 179 cost. Includes rows 25-29.

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

Table with 6 main columns: (a) Vehicle 1, (b) Vehicle 2, (c) Vehicle 3, (d) Vehicle 4, (e) Vehicle 5, (f) Vehicle 6. Includes rows 30-36 for miles driven and personal use questions.

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

Table with 2 columns: Yes, No. Includes rows 37-41 for policy statements and requirements.

Part VI Amortization

Table with 6 columns: (a) Description of costs, (b) Date amortization begins, (c) Amortizable amount, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year. Includes rows 42-44.

Form 990-PF, Page 1, Part I, Line 23

**Line 23 Stmt**

Other expenses:	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
Business Registrations	239.			
Employee Training	1,767.			
Business Meals	537.			
Supplies	742.			
Telephone, Telecommunications	4,035.			
Insurance Liability	3,060.			
Workers Compensation Insurance	427.			
Miscellaneous	11.			
Advantage Payroll Fees	2,236.			
Rounding	2.			

Total 13,056.

Form 990-PF, Page 6, Part VIII, Line 1

**Information about Officers, Directors, Trustees, Etc.**

(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
Person . . <input type="checkbox"/> Business . <input type="checkbox"/> Ronald D. Scott 5612 Drexel Court Midland TX 79705	Vice Pres. 0.00	0.	0.	0.
Person . . <input type="checkbox"/> Business . <input type="checkbox"/> Terry Creech 3525 Andrews Hwy, Ste 200 Midland TX 79703	Secretary 0.00	0.	0.	0.

Total

0. 0. 0.

Form 990-PF, Page 11, Part XV, line 3a

**Line 3a statement**

Recipient  Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foun- dation status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox  Amount
<b>a Paid during the year</b>				
George W. Bush Childhood Home, Inc. P.O. Box 8586 Midland TX 79708		Non-Profit	Operating support.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 15,000.
Midland Tennis Center, Inc. P.O. Box 4914 Midland TX 79704		Non-Profit	General operating funds and programs.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 50,000.
Mission Health Care, Inc. 4500 West Illinois Ave., Ste 112 Midland TX 79703		Non-Profit	Program support.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 35,000.
Palmer Drug Abuse Program 1208 W. Wall Midland TX 79701		Non-Profit	Program support.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 50,664.
Recording Library of West Texas 2012 West Cuthbert Midland TX 79701		Non-Profit	Program support.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 10,000.
Sharing Hands A Respite Experience, Inc. P.O. Box 10991 Midland TX 79702		Non-Profit	Respite care for parents with special needs children.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 25,000.
Teen F.L.O.W. P.O. Box 733 Midland TX 79702		Non-Profit	Program support.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 25,000.
Unlock Ministries, Inc. P.O. Box 5562 Midland TX 79701		Non-Profit	Operating support.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 20,000.
Texas Public Policy Foundation 900 Congress Avenue, Suite 400 Austin TX 78701		Non-Profit	Project Freedom 2013: Keeping Texas Competitive.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 50,000.
University of Oklahoma-Newbourne College of Earth and Energy 100 East Boyd, Room 1510 Norman OK 73019		Non-Profit	Undergraduate scholarships, lab upkeep and graduate assisat stipends.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 150,000.
Buckner Foundation 600 North Pearl St., Ste 2000 Dallas TX 75201		Non-Profit	Family Place capital initiative.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 125,000.
Agape Christian Services 2105 West Louisiana Ave. Midland TX 79701		Non-Profit	Operating support.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 7,500.
Aphasia Center of West Texas, Inc. 5214 Thomason Drive Midland TX 79703		Non-Profit	Operating and program support.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 25,000.
Casa de Amigos of Midland TX, Inc. 1101 E. Garden Lane Midland TX 79701		Non-Profit	Operating support.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 40,000.
Centers for Children and Families, Inc. 1004 N. Big Spring, Suite 325 Midland TX 79701		Non-Profit	Counseling programs.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 15,000.

Form 990-PF, Page 11, Part XV, line 3a

Continued

**Line 3a statement**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foun- dation status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox  Amount
<b>a Paid during the year</b>				
Communities in Schools of the Permian Basin, Inc. P.O. Box 60594 Midland TX 79711		Non-Profit	Operating support.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 15,000.
Community and Senior Services of Midland 3301 Sinclair Ave. Midland TX 79707		Non-Profit	Support for the Meals on Wheels program.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 25,000.
High Sky Children's Ranch 8701 West County Road 60 Midland TX 79707		Non-Profit	Kinship care program.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 25,000.
Hispanic Culture Center of Midland P.O. Box 51404 Midland TX 79710		MNon-Profit	Ballet Folklorico Program.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 7,500.
MARC, Inc. 2701 North 'A' Street Midland TX 79705		Non-Profit	Operating support.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 40,000.
Midland Children's Rehabilitation Center 802 Ventura Midland TX 79705		Non-Profit	Operating support.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 50,000.
Midland Memorial Foundation 400 Rosalind Refern Grover Parkway Midland TX 79701		Non-Profit	Scholarships and medical training.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 50,000.
Midland Need to Read 1709 W. Wall Street Midland TX 79701		Non-Profit	Operating support.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 10,000.
Midland Odessa Symphony and Chorale P.O. Box 60658 Midland TX 79711		Non-Profit	Youth outreach performances.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 15,000.
NonProfit Management Center 200 N. Loraine, Ste 500 Midland TX 79701		Non-Profit	Program support.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 50,000.
Safe Place of the Permian Basin P.O. Box 11331 Midland TX 79702		Non-Profit	Operating support.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 50,000.
UMC Foundation 602 Indiana Avenue Lubbock TX 79415		Non-Profit	Education for healthcare professions.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 25,000.
Midland ISD Education Foundation 615 West Missouri Midland TX 79701		Non-Profit	Rent/utilities assistance for support services staff.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 500,000.
Permian Basin Public Telecommunications P.O. Box 8940 Midland TX 79708		Non-Profit	Production/Broadcast of Western Perspectives Documentary, Episode 3.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 25,000.
West Texas Food Bank P.O. Box 4242 Odessa TX 79760		Non-Profit	Construction of a new distribution center in Midland.	Person or <input type="checkbox"/> Business <input type="checkbox"/> 500,000.

Form 990-PF, Page 11, Part XV, line 3a

Continued

**Line 3a statement**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Founda- tion status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox  Amount
<b>a</b> Paid during the year				

Total

2,030,664.

Form 990-PF, Line 19

**Allocated Depreciation**

Description	Date Acquire	Cost or Basis	Prior Yr. Depr	Mthd	Life	Current Depr	Net Invest Income	Adjusted Net Income
Furniture and Equipment	02/28/12	12177	1740	200DB	7.00	2982		
Phone System	04/04/12	3242	463	200DB	7.00	794		

Total

Form 990-PF, Page 2, Part II, Line 14

**L-14 Stmt**

Line 14b - Description of Land, Buildings, and Equipment	(a) Cost/Other Basis	(b) Accumulated Depreciation	(c) Book Value
Furniture and Equipment	12,177.	4,722.	7,455.
Phone System	3,242.	1,257.	1,985.
Total	<u>15,419.</u>	<u>5,979.</u>	<u>9,440.</u>

Form 990-PF, Page 2, Part II, Line 22

**Other Liab Stmt**

Line 22 - Other Liabilities:	Beginning Year Book Value	Ending Year Book Value
Payroll Liability - EE PD Dental Insurance	165.	-4.
Payroll Liability - Employee United Way		200.
Total	<u>165.</u>	<u>196.</u>

**Supporting Statement of:**

Form 990-PF, p1/Line 15(a)

Description	Amount
Employee Health Insurance	35,620.
Employee Life/AD&D Insurance	1,788.
Payroll Expenses - Employers 403B	8,158.
Total	<u>45,566.</u>

**Supporting Statement of:**

Form 990-PF, p1/Line 18(a)-1

Description	Amount
Payroll Expenses - Employers FICA	9,675.
Employers Medicare	2,659.
Total	<u>12,334.</u>

**Supporting Statement of:**

Form 990-PF, p1/Line 22(a)

Description	Amount
Printing and Copying	1,676.
Books, Subscriptions, Reference	250.
Logo Expense	495.
Total	<u>2,421.</u>