

Form **990-PF**

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

OMB No. 1545-0052

**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).**

Open to Public Inspection

For calendar year 2013 or tax year beginning , and ending

Name of foundation <b>Sterling-Turner Foundation</b>		A Employer identification number <b>74-1460482</b>
Number and street (or P.O. box number if mail is not delivered to street address) <b>5850 San Felipe</b>	Room/suite <b>125</b>	B Telephone number (see instructions) <b>713-237-1117</b>
City or town, state or province, country, and ZIP or foreign postal code <b>Houston TX 77057</b>		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ <b>\$ 68,171,142</b>	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
(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)
<b>Revenue</b>	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	20	20		
	4 Dividends and interest from securities	1,733,836	1,726,400		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10 Stmt 1	759,298			
	b Gross sales price for all assets on line 6a 939,571				
	7 Capital gain net income (from Part IV, line 2)		0		
	8 Net short-term capital gain			0	
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 <b>Total.</b> Add lines 1 through 11	2,493,154	1,726,420	0		
<b>Operating and Administrative Expenses</b>	13 Compensation of officers, directors, trustees, etc.	2,700			2,700
	14 Other employee salaries and wages	74,250			74,250
	15 Pension plans, employee benefits	13,993			12,126
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule) Stmt 2	45,043	4,504		40,539
	c Other professional fees (attach schedule) Stmt 3	42,204	42,204		
	17 Interest				
	18 Taxes (attach schedule) (see instructions) Stmt 4	27,477			
	19 Depreciation (attach schedule) and depletion Stmt 5	854			
	20 Occupancy	21,783			21,783
	21 Travel, conferences, and meetings	1,644			1,644
	22 Printing and publications				
	23 Other expenses (att. sch.) Stmt 6	10,197	1,019		20,248
	24 <b>Total operating and administrative expenses.</b> Add lines 13 through 23	240,145	47,727	0	173,290
	25 Contributions, gifts, grants paid	2,526,000			2,526,000
26 <b>Total expenses and disbursements.</b> Add lines 24 and 25	2,766,145	47,727	0	2,699,290	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-272,991				
b <b>Net investment income</b> (if negative, enter -0-)		1,678,693			
c <b>Adjusted net income</b> (if negative, enter -0-)			0		

For Paperwork Reduction Act Notice, see instructions.

Form **990-PF** (2013)

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	146,279	73,445	73,445	
	2 Savings and temporary cash investments				
	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 (att. schedule) ▶ See Wrk 3,623				
	Less: allowance for doubtful accounts ▶ 0	3,623	3,623	3,623	
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges	26,204	29,676	29,676	
	10a Investments – U.S. and state government obligations (attach schedule)				
	b Investments – corporate stock (attach schedule) See Stmt 7	4,056,980	3,887,123	68,059,572	
	c Investments – corporate bonds (attach schedule)				
	11 Investments – land, buildings, and equipment: basis ▶				
Less: accumulated depreciation (attach sch.) ▶					
12 Investments – mortgage loans					
13 Investments – other (attach schedule) See Statement 8	33,482				
14 Land, buildings, and equipment: basis ▶ 129,868					
Less: accumulated depreciation (attach sch.) ▶ Stmt 9 128,629	1,193	1,239	1,300		
15 Other assets (describe ▶ See Statement 10 )	3,862	3,526	3,526		
16 Total assets (to be completed by all filers – see the instructions. Also, see page 1, item I)	4,271,623	3,998,632	68,171,142		
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 SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ▶ <input type="checkbox"/>				
	24 Unrestricted				
	25 Temporarily restricted				
	26 Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>				
	27 Capital stock, trust principal, or current funds	5,360,546	4,271,623		
	28 Paid-in or capital surplus, or land, bldg., and equipment fund				
	29 Retained earnings, accumulated income, endowment, or other funds	-1,088,923	-272,991		
30 Total net assets or fund balances (see instructions)	4,271,623	3,998,632			
31 Total liabilities and net assets/fund balances (see instructions)	4,271,623	3,998,632			

**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	4,271,623
2 Enter amount from Part I, line 27a	2	-272,991
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	3,998,632
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	3,998,632

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P – Purchase D – Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
<b>1a</b>	<b>N/A</b>			
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				
(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)	
<b>a</b>				
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				
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) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
<b>a</b>				
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				
<b>2</b>	Capital gain net income or (net capital loss) <span style="font-size: small;">[ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 ]</span>		<b>2</b>	
<b>3</b>	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 <span style="font-size: small;">[ ]</span>		<b>3</b>	

**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 (col. (b) divided by col. (c))
2012	<b>2,859,813</b>	<b>59,589,555</b>	<b>0.047992</b>
2011	<b>1,836,039</b>	<b>56,184,397</b>	<b>0.032679</b>
2010	<b>2,008,474</b>	<b>45,253,848</b>	<b>0.044382</b>
2009	<b>4,031,907</b>	<b>51,390,127</b>	<b>0.078457</b>
2008	<b>4,199,932</b>	<b>64,515,872</b>	<b>0.065099</b>
<b>2</b>	<b>Total</b> of line 1, column (d)		<b>0.268609</b>
<b>3</b>	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		<b>0.053722</b>
<b>4</b>	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5		<b>61,745,044</b>
<b>5</b>	Multiply line 4 by line 3		<b>3,317,067</b>
<b>6</b>	Enter 1% of net investment income (1% of Part I, line 27b)		<b>16,787</b>
<b>7</b>	Add lines 5 and 6		<b>3,333,854</b>
<b>8</b>	Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.		<b>2,699,290</b>

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

<b>1a</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 instructions)		
<b>b</b>	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	<b>1</b>	<b>33,574</b>
<b>c</b>	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
<b>2</b>	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	<b>2</b>	<b>0</b>
<b>3</b>	Add lines 1 and 2	<b>3</b>	<b>33,574</b>
<b>4</b>	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	<b>4</b>	<b>0</b>
<b>5</b>	<b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-	<b>5</b>	<b>33,574</b>
<b>6</b>	Credits/Payments:		
<b>a</b>	2013 estimated tax payments and 2012 overpayment credited to 2013	<b>6a</b>	<b>29,676</b>
<b>b</b>	Exempt foreign organizations – tax withheld at source	<b>6b</b>	
<b>c</b>	Tax paid with application for extension of time to file (Form 8868)	<b>6c</b>	
<b>d</b>	Backup withholding erroneously withheld	<b>6d</b>	
<b>7</b>	Total credits and payments. Add lines 6a through 6d	<b>7</b>	<b>29,676</b>
<b>8</b>	Enter any <b>penalty</b> for underpayment of estimated tax. Check her <input checked="" type="checkbox"/> if Form 2220 is attached	<b>8</b>	<b>5</b>
<b>9</b>	<b>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>3,903</b>
<b>10</b>	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	<b>10</b>	
<b>11</b>	Enter the amount of line 10 to be: <b>Credited to 2014 estimated tax</b> <input type="checkbox"/> <b>Refunded</b> <input type="checkbox"/>	<b>11</b>	

**Part VII-A Statements Regarding Activities**

	Yes	No
<b>1a</b>		<b>X</b>
<b>1b</b>		<b>X</b>
<b>1c</b>		<b>X</b>
<b>2</b>		<b>X</b>
<b>3</b>		<b>X</b>
<b>4a</b>		<b>X</b>
<b>4b</b>		<b>N/A</b>
<b>5</b>		<b>X</b>
<b>6</b>	<b>X</b>	
<b>7</b>	<b>X</b>	
<b>8a</b>		
<b>8b</b>	<b>X</b>	
<b>9</b>		<b>X</b>
<b>10</b>		<b>X</b>

**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		<b>X</b>
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		<b>X</b>
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <b>www.sterlingturnerfoundation.org</b>	13	<b>X</b>	
14	The books are in care of ► <b>Patricia Stillely</b> <b>5850 San Felipe Suite 125</b> Located at ► <b>Houston</b> TX ZIP+4 ► <b>77057</b> Telephone no. ► <b>713-237-1117</b>			
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		<b>15</b>	
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? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►	16		<b>X</b>

**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 checked="" type="checkbox"/> Yes <input 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? ( <b>Exception.</b> 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 <b>any</b> of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	<b>X</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?	1c	<b>X</b>
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? If "Yes," list the years ► 20 , 20 , 20 , 20 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
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 <b>all</b> years listed, answer "No" and attach statement – see instructions.) <b>N/A</b>	2b	
c	If the provisions of section 4942(a)(2) are being applied to <b>any</b> of the years listed in 2a, list the years here. ► 20 , 20 , 20 , 20		
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 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.) <b>N/A</b>	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	<b>X</b>
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?	4b	<b>X</b>

**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:

(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)? **N/A** **5b**

Organizations relying on a current notice regarding disaster assistance check here

**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **N/A**  Yes  No

If "Yes," attach the statement required by Regulations section 53.4945–5(d).

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

**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** **X**

If "Yes" to 6b, file Form 8870.

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

**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **N/A** **7b**

**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
See Statement 11				

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

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

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

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

**3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services	<b>0</b>	

**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.)

<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>1a</b>	<b>62,522,541</b>
<b>b</b>	Average of monthly cash balances	<b>1b</b>	<b>147,783</b>
<b>c</b>	Fair market value of all other assets (see instructions)	<b>1c</b>	<b>15,000</b>
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	<b>62,685,324</b>
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	<b>0</b>
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	<b>0</b>
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	<b>62,685,324</b>
<b>4</b>	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	<b>4</b>	<b>940,280</b>
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	<b>61,745,044</b>
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	<b>3,087,252</b>

**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>	<b>3,087,252</b>
<b>2a</b>	Tax on investment income for 2013 from Part VI, line 5	<b>2a</b>	<b>33,574</b>
<b>b</b>	Income tax for 2013. (This does not include the tax from Part VI.)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	<b>33,574</b>
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	<b>3,053,678</b>
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b>	Add lines 3 and 4	<b>5</b>	<b>3,053,678</b>
<b>6</b>	Deduction from distributable amount (see instructions)	<b>6</b>	
<b>7</b>	<b>Distributable amount</b> as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	<b>3,053,678</b>

**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>1a</b>	<b>2,699,290</b>
<b>b</b>	Program-related investments – total from Part IX-B	<b>1b</b>	
<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>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	<b>2,699,290</b>
<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>	<b>0</b>
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	<b>2,699,290</b>

**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
<b>1</b> Distributable amount for 2013 from Part XI, line 7				<b>3,053,678</b>
<b>2</b> Undistributed income, if any, as of the end of 2013:				
<b>a</b> Enter amount for 2012 only				
<b>b</b> Total for prior years: 20____, 20____, 20____				
<b>3</b> Excess distributions carryover, if any, to 2013:				
<b>a</b> From 2008				
<b>b</b> From 2009		<b>300,542</b>		
<b>c</b> From 2010				
<b>d</b> From 2011				
<b>e</b> From 2012				
<b>f</b> Total of lines 3a through e		<b>300,542</b>		
<b>4</b> Qualifying distributions for 2013 from Part XII, line 4: <b>\$ 2,699,290</b>				
<b>a</b> Applied to 2012, but not more than line 2a				
<b>b</b> Applied to undistributed income of prior years (Election required – see instructions)				
<b>c</b> Treated as distributions out of corpus (Election required – see instructions)				
<b>d</b> Applied to 2013 distributable amount				<b>2,699,290</b>
<b>e</b> Remaining amount distributed out of corpus				
<b>5</b> Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a).)		<b>300,542</b>		<b>300,542</b>
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b				
<b>c</b> 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				
<b>d</b> Subtract line 6c from line 6b. Taxable amount – see instructions				
<b>e</b> Undistributed income for 2012. Subtract line 4a from line 2a. Taxable amount – see instructions				
<b>f</b> Undistributed income for 2013. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2014				<b>53,846</b>
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
<b>8</b> Excess distributions carryover from 2008 not applied on line 5 or line 7 (see instructions)				
<b>9</b> Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a				
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2009				
<b>b</b> Excess from 2010				
<b>c</b> Excess from 2011				
<b>d</b> Excess from 2012				
<b>e</b> Excess from 2013				

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

**1a** 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	Prior 3 years			(e) Total
	(a) 2013	(b) 2012	(c) 2011	(d) 2010	
<b>2a</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).)  
**N/A**

**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.  
**N/A**

**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 address of the person to whom applications should be addressed:  
**Patricia Stilley 713-237-1117**  
**5850 San Felipe Suite 125 Houston TX 77057**

**b** The form in which applications should be submitted and information and materials they should include:  
**See Statement 12**

**c** Any submission deadlines:  
**Any time prior to March 1 of each year.**

**d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:  
**See Statement 13**

**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)				
<b>a</b> Paid during the year <b>See Statement 14</b>				<b>2,526,000</b>
<b>Total</b>			<b>▶ 3a</b>	<b>2,526,000</b>
<b>b</b> Approved for future payment <b>N/A</b>				
<b>Total</b>			<b>▶ 3b</b>	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Table with 5 main columns: (a) Business code, (b) Amount, (c) Exclusion code, (d) Amount, and (e) Related or exempt function income. Rows include Program service revenue (a-f), Fees and contracts from government agencies, Membership dues and assessments, Interest on savings and temporary cash investments, Dividends and interest from securities, Net rental income from real estate (a-b), Net rental income from personal property, Other investment income, Gain or (loss) from sales of assets other than inventory, Net income or (loss) from special events, Gross profit or (loss) from sales of inventory, and Other revenue (a-e). Totals are shown for lines 12 and 13.

(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. and Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See instructions.)

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
(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.

Table with 4 columns: (a) Line no., (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Row 1 contains 'N/A'.

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

b If "Yes," complete the following schedule. Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. Row 1 contains '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.
Sign Here: Signature of officer or trustee, Date, Title: Executive Director

May the IRS discuss this return with the preparer shown below (see instructions)? [ ] Yes [ ] No

Paid Preparer Use Only: Print/Type preparer's name: Daniel P. McGuire, Preparer's signature: Daniel P. McGuire, Date: 07/03/14, Firm's name: Daniel P. McGuire, P.C., Firm's address: 10497 Town & Country Way Ste 520 Houston, TX 77024, PTIN: P00064895, Firm's EIN: 76-0239059, Phone no.: 713-932-0409

Form **2220**

**Underpayment of Estimated Tax by Corporations**

OMB No. 1545-0142

Department of the Treasury  
Internal Revenue Service

▶ Attach to the corporation's tax return.

▶ Information about Form 2220 and its separate instructions is at [www.irs.gov/form2220](http://www.irs.gov/form2220).

**2013**

Name **Sterling-Turner Foundation** Employer identification number **74-1460482**

**Note:** Generally, the corporation is not required to file Form 2220 (see Part II below for exceptions) because the IRS will figure any penalty owed and bill the corporation. However, the corporation may still use Form 2220 to figure the penalty. If so, enter the amount from page 2, line 38 on the estimated tax penalty line of the corporation's income tax return, but **do not** attach Form 2220.

**Part I Required Annual Payment**

<b>1</b> Total tax (see instructions) .....	<b>1</b>	<b>33,574</b>
<b>2a</b> Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 1	<b>2a</b>	
<b>b</b> Look-back interest included on line 1 under section 460(b)(2) for completed long-term contracts or section 167(g) for depreciation under the income forecast method .....	<b>2b</b>	
<b>c</b> Credit for federal tax paid on fuels (see instructions) .....	<b>2c</b>	
<b>d Total.</b> Add lines 2a through 2c .....	<b>2d</b>	
<b>3</b> Subtract line 2d from line 1. If the result is less than \$500, <b>do not</b> complete or file this form. The corporation does not owe the penalty .....	<b>3</b>	<b>33,574</b>
<b>4</b> Enter the tax shown on the corporation's 2012 income tax return (see instructions). <b>Caution:</b> If the tax is zero or the tax year was for less than 12 months, skip this line and enter the amount from line 3 on line 5 .....	<b>4</b>	<b>29,674</b>
<b>5 Required annual payment.</b> Enter the <b>smaller</b> of line 3 or line 4. If the corporation is required to skip line 4, enter the amount from line 3 .....	<b>5</b>	<b>29,674</b>

**Part II Reasons for Filing**—Check the boxes below that apply. If any boxes are checked, the corporation **must** file Form 2220 even if it does not owe a penalty (see instructions).

- 6** The corporation is using the adjusted seasonal installment method.
- 7** The corporation is using the annualized income installment method.
- 8** The corporation is a "large corporation" figuring its first required installment based on the prior year's tax.

**Part III Figuring the Underpayment**

	(a)	(b)	(c)	(d)
<b>9</b> Installment due dates. Enter in column (a) through (d) the 15th day of the 4th (Form 990-PF filers: Use 5th month), 6th, 9th, and 12th months of the corporation's tax year .....	<b>9</b> 05/15/13	06/15/13	09/15/13	12/15/13
<b>10</b> Required installments. If the box on line 6 and/or line 7 above is checked, enter the amounts from Schedule A, line 38. If the box on line 8 (but not 6 or 7) is checked, see instructions for the amounts to enter. If none of these boxes are checked, enter 25% of line 5 above in each column .....	<b>10</b> 7,419	7,419	7,419	7,417
<b>11</b> Estimated tax paid or credited for each period (see instructions). For column (a) only, enter the amount from line 11 on line 15 .....	<b>11</b> 7,000	7,000	8,256	7,420
<b>Complete lines 12 through 18 of one column before going to the next column.</b>				
<b>12</b> Enter amount, if any, from line 18 of the preceding column .....	<b>12</b>			
<b>13</b> Add lines 11 and 12 .....	<b>13</b>	7,000	8,256	7,420
<b>14</b> Add amounts on lines 16 and 17 of the preceding column .....	<b>14</b>	419	838	1
<b>15</b> Subtract line 14 from line 13. If zero or less, enter -0- .....	<b>15</b> 7,000	6,581	7,418	7,419
<b>16</b> If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0- .....	<b>16</b>	0	0	
<b>17</b> Underpayment. If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18 .....	<b>17</b> 419	838	1	0
<b>18</b> Overpayment. If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column .....	<b>18</b>			

**Go to Part IV on page 2 to figure the penalty. Do not go to Part IV if there are no entries on line 17—no penalty is owed.**

**For Paperwork Reduction Act Notice, see separate instructions.**

Form **2220** (2013)

**Part IV Figuring the Penalty**

	(a)	(b)	(c)	(d)
<b>19</b> Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier (see instructions). <b>(Form 990-PF and Form 990-T filers:</b> Use 5th month instead of 3rd month.)	<b>19</b>	<b>See Worksheet</b>		
<b>20</b> Number of days from due date of installment on line to the date shown on line 19	<b>20</b>			
<b>21</b> Number of days on line 20 after 4/15/2013 and before 7/1/2013	<b>21</b>			
<b>22</b> Underpayment on line 17 x $\frac{\text{Number of days on line 21}}{365}$ x 3%	<b>22</b>	\$	\$	\$
<b>23</b> Number of days on line 20 after 6/30/2013 and before 10/1/2013	<b>23</b>			
<b>24</b> Underpayment on line 17 x $\frac{\text{Number of days on line 23}}{365}$ x 3%	<b>24</b>	\$	\$	\$
<b>25</b> Number of days on line 20 after 9/30/2013 and before 1/1/2014	<b>25</b>			
<b>26</b> Underpayment on line 17 x $\frac{\text{Number of days on line 25}}{365}$ x 3%	<b>26</b>	\$	\$	\$
<b>27</b> Number of days on line 20 after 12/31/2013 and before 4/1/2014	<b>27</b>			
<b>28</b> Underpayment on line 17 x $\frac{\text{Number of days on line 27}}{365}$ x 3%	<b>28</b>	\$	\$	\$
<b>29</b> Number of days on line 20 after 3/31/2014 and before 7/1/2014	<b>29</b>			
<b>30</b> Underpayment on line 17 x $\frac{\text{Number of days on line 29}}{365}$ x %	<b>30</b>	\$	\$	\$
<b>31</b> Number of days on line 20 after 6/30/2014 and before 10/1/2014	<b>31</b>			
<b>32</b> Underpayment on line 17 x $\frac{\text{Number of days on line 31}}{365}$ x %	<b>32</b>	\$	\$	\$
<b>33</b> Number of days on line 20 after 9/30/2014 and before 1/1/2015	<b>33</b>			
<b>34</b> Underpayment on line 17 x $\frac{\text{Number of days on line 33}}{365}$ x %	<b>34</b>	\$	\$	\$
<b>35</b> Number of days on line 20 after 12/31/2014 and before 2/16/2015	<b>35</b>			
<b>36</b> Underpayment on line 17 x $\frac{\text{Number of days on line 35}}{365}$ x %	<b>36</b>	\$	\$	\$
<b>37</b> Add lines 22, 24, 26, 28, 30, 32, 34, and 36	<b>37</b>	\$	\$	\$
<b>38 Penalty.</b> Add columns (a) through (d) of line 37. Enter the total here and on Form 1120, line 33; or the comparable line for other income tax returns	<b>38</b>	\$		<b>5</b>

\*Use the penalty interest rate for each calendar quarter, which the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS website at [www.irs.gov](http://www.irs.gov). You can also call 1-800-829-4933 to get interest rate information.

Form <b>2220</b>	<b>Form 2220 Worksheet</b>	<b>2013</b>
For calendar year 2013, or tax year beginning _____, and ending _____		

Name <b>Sterling-Turner Foundation</b>	Employer Identification Number <b>74-1460482</b>
---	---

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Due date of estimated payment	<u>05/15/13</u>	<u>06/15/13</u>	<u>09/15/13</u>	<u>12/15/13</u>
Amount of underpayment	<u>419</u>	<u>838</u>	<u>1</u>	

Prior year overpayment applied \_\_\_\_\_

	1st Payment	2nd Payment	3rd Payment	4th Payment	5th Payment
Date of payment	<u>05/14/13</u>	<u>06/14/13</u>	<u>09/15/13</u>	<u>12/15/13</u>	<u>08/08/13</u>
Amount of payment	<u>7,000</u>	<u>7,000</u>	<u>7,419</u>	<u>7,420</u>	<u>837</u>

Qtr	From	To	Underpayment	#Days	Rate	Penalty
1	5/15/13	6/14/13	419	30	3.00	1
2	6/15/13	8/08/13	838	54	3.00	4
2	8/08/13	9/15/13	1	38	3.00	0
3	9/15/13	12/15/13	1	91	3.00	0
<b>Total Penalty</b>						<b>5</b>
						=====



## Federal Statements

### Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Description	How Received							Net
Whom Sold	Date Acquired	Date Sold	Sale Price	Cost	Expense	Depreciation	Gain / Loss	
Campus Crest Cmnty Inc	12/23/10	11/04/20	Purchase \$ 139,488	\$ 155,099	\$	\$	\$ -15,611	
Exxon Mobil Corp	12/23/10	12/03/13	Purchase 800,083	25,174			774,909	
Total			<u>\$ 939,571</u>	<u>\$ 180,273</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 759,298</u>	

### Statement 2 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Accounting Fees	\$ 45,043	\$ 4,504	\$	\$ 40,539
Total	<u>\$ 45,043</u>	<u>\$ 4,504</u>	<u>\$ 0</u>	<u>\$ 40,539</u>

### Statement 3 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Investment Advisory Fees	\$ 42,204	\$ 42,204	\$	\$
Total	<u>\$ 42,204</u>	<u>\$ 42,204</u>	<u>\$ 0</u>	<u>\$ 0</u>

## Federal Statements

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Taxes - Federal Excise	\$ 27,477	\$	\$	\$
Total	\$ 27,477	\$ 0	\$ 0	\$ 0

### Statement 5 - Form 990-PF, Part I, Line 19 - Depreciation

Description				Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
Date Acquired	Cost Basis	Prior Year Depreciation						
Furniture & Equipment								
1/01/99	\$ 9,727	\$ 9,727	S/L		5	\$	\$	\$
Furniture & Equipment								
6/15/01	1,495	1,495	S/L		7			
Furniture & Equipment								
1/15/02	35,325	35,325	S/L		7			
Computer Equipment								
2/05/02	856	856	S/L		5			
Furniture & Equipment								
2/05/02	19,871	19,871	S/L		7			
Computer Equipment								
9/09/02	5,346	5,346	S/L		5			
Office Furniture								
5/15/02	16,091	16,091	S/L		7			
Office Furniture								
6/18/02	3,919	3,919	S/L		7			
Office Furniture								
7/31/02	596	596	S/L		7			
Office Furniture								
8/29/02	1,250	1,250	S/L		7			
Computer Equipment								
10/18/02	2,100	2,100	S/L		5			
Computer Equipment								
12/13/02	1,081	1,081	S/L		5			
Computer Equipment								
6/15/01	1,035	1,035	S/L		5			

## Federal Statements

**Statement 5 - Form 990-PF, Part I, Line 19 - Depreciation (continued)**

Description								
Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income	
Telephone Installation								
3/01/02	\$ 3,285	\$ 3,285	S/L	5	\$	\$	\$	
Filing Cabinets								
1/28/02	2,625	2,625	S/L	7				
Cabling & Wiring								
2/11/02	2,159	2,159	S/L	5				
3 pcs software/printer memory upgrade								
8/26/02	8,257	8,257	S/L	5				
Console Table & Rug								
9/20/02	1,577	1,577	S/L	7				
Sony 19" Flat Screen Monitor								
3/02/04	1,034	1,034	S/L	5				
19" Samsung Monitor								
5/28/04	269	269	S/L	5				
Computer Equipment - Server								
12/28/06	5,490	5,490	200DB	5				
2 Desktops Computers & Equipment								
12/28/06	2,795	2,795	200DB	5				
Furniture & Equipment								
5/04/12	1,685	963	200DB	7	206			
Amazon Phone System								
5/24/12	1,100	629	200DB	7	134			
File cabinets								
5/01/13	900		200DB	7	514			
Total	\$ 129,868	\$ 127,775			\$ 854	\$ 0	\$ 0	

**Federal Statements**

**Statement 6 - Form 990-PF, Part I, Line 23 - Other Expenses**

<u>Description</u>	<u>Total</u>	<u>Net Investment</u>	<u>Adjusted Net</u>	<u>Charitable Purpose</u>
	\$	\$	\$	\$
Expenses				
Director Insurance	2,803	280		2,523
Entertainment & Meals	230	23		207
Liability Insurance	1,367	137		12,300
Library & Documentation	570	57		513
Miscellaneous	711	71		640
Office Maintenance	976	98		878
Office Supplies	339	34		305
Parking	6			6
Postage	388	39		349
Telephone	2,344	234		2,110
Workers' Comp Insurance	463	46		417
Total	<u>\$ 10,197</u>	<u>\$ 1,019</u>	<u>\$ 0</u>	<u>\$ 20,248</u>

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

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>	<u>Fair Market Value</u>
Investment in Common & Preferred Stk	\$ 4,056,980	\$ 3,887,123		\$ 68,059,572
Total	<u>\$ 4,056,980</u>	<u>\$ 3,887,123</u>		<u>\$ 68,059,572</u>

**Statement 8 - 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>
Investments - Salent Alternative	\$ 33,482	\$		\$
Total	<u>\$ 33,482</u>	<u>\$ 0</u>		<u>\$ 0</u>

## Federal Statements

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

<u>Description</u>	<u>Beginning Net Book</u>	<u>End Cost / Basis</u>	<u>End Accumulated Depreciation</u>	<u>Net FMV</u>
Land/Building/Equipment	\$ 1,193	\$ 129,868	\$ 128,629	\$ 1,300
Total	<u>\$ 1,193</u>	<u>\$ 129,868</u>	<u>\$ 128,629</u>	<u>\$ 1,300</u>

## Federal Statements

### Statement 10 - Form 990-PF, Part II, Line 15 - Other Assets

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Fair Market Value</u>
Due to/from related parties	\$ 3,862	\$ 3,526	\$ 3,526
Total	<u>\$ 3,862</u>	<u>\$ 3,526</u>	<u>\$ 3,526</u>

**Federal Statements**

**Statement 11 - Form 990-PF, Part VIII, Line 1 - List of Officers, Directors, Trustees,  
 Etc.**

<u>Name and Address</u>	<u>Title</u>	<u>Average Hours</u>	<u>Compensation</u>	<u>Benefits</u>	<u>Expenses</u>
T.R. Reckling, III 5850 San Felipe, Suite 125 Houston TX 77057	Trustee	1.00	100	0	0
Isla C. Reckling 5850 San Felipe, Suite 125 Houston TX 77057	Trustee	1.00	100	0	0
Chaille W. Hawkins 5850 San Felipe, Suite 125 Houston TX 77057	Trustee	1.00	600	0	0
Christiana R. McConn 5850 San Felipe, Suite 125 Houston TX 77057	Trustee	1.00	100	0	0
Thomas R. Reckling, IV 5850 San Felipe, Suite 125 Houston TX 77057	Trustee	1.00	100	0	0
James S. Reckling 5850 San Felipe, Suite 125 Houston TX 77057	Trustee	1.00	100	0	0
Blake W. Winston 5850 San Felipe, Suite 125 Houston TX 77057	Trustee	1.00	100	0	0
Stephen M. Reckling 5850 San Felipe, Suite 125 Houston TX 77057	Trustee	1.00	0	0	0
John B. Reckling 5850 San Felipe, Suite 125 Houston TX 77057	Trustee	1.00	100	0	0

# Federal Statements

**Statement 11 - Form 990-PF, Part VIII, Line 1 - List of Officers, Directors, Trustees,  
Etc. (continued)**

<u>Name and Address</u>	<u>Title</u>	<u>Average Hours</u>	<u>Compensation</u>	<u>Benefits</u>	<u>Expenses</u>
Thomas K. Reckling 5850 San Felipe, Suite 125 Houston TX 77057	Trustee	1.00	100	0	0
L. David Winston 5850 San Felipe, Suite 125 Houston TX 77057	Trustee	1.00	0	0	0
Bert F. Winston, III 5850 San Felipe, Suite 125 Houston TX 77057	Trustee	1.00	600	0	0
Isla C. Jornayvaz 5850 San Felipe, Suite 125 Houston TX 77057	Trustee	1.00	100	0	0
E. Carroll Schuler 5850 San Felipe, Suite 125 Houston TX 77057	Trustee	1.00	600	0	0
Carroll R. Goodman 5850 San Felipe, Suite 125 Houston TX 77057	Trustee	1.00	0	0	0



**Federal Statements****Statement 12 - Form 990-PF, Part XV, Line 2b - Application Format and Required Contents**Description

Application forms and instructions on the Sterling Turner website. Documentation must be accompanied by copy of IRS 501 (c) (3) exemption letter.

**Form 990-PF, Part XV, Line 2c - Submission Deadlines**Description

Any time prior to March 1 of each year.

**Statement 13 - Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations**Description

Awards limited to Texas Public Charities which are exempt under Revenue Code 501 (c) (3). The charities must be within certain geographic boundaries.

## Federal Statements

**Statement 14 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year**

Name	Address	Relationship	Status	Purpose	Amount
Alley Theater	Houston TX 77002	N/A	615 Texas Ave. 501.C.3	Operating Funds	30,000
Austin Children's Museum	Austin TX 78701	N/A	201 Colorado Street 501.C.3	Operating Funds	10,000
Austin Smiles	Austin TX 78755-0694	N/A	P.O. Box 26694 501.A	Operating Funds	25,000
Austin Speech Labs, Inc.	Austin TX 78757	N/A	7800 Shoal Creek Blvd. 501.C.3	Operating Funds	20,000
Bridges to Life	Houston TX 77257	N/A	PO BOX 570895 501.C.3	Operating Funds	10,000
Buffalo Bayou Partnership	Houston TX 77002	N/A	1113 Vine St #200 501.C.3	Operating Funds	50,000
CanCare of Houston, Inc.	Houston TX 77024	N/A	9575 Katy Freeway, Ste 42 501.C.3	Operating Funds	25,000
Caritas of Austin	Austin TX 78767	N/A	611 Neches 501.C.3	Operating Funds	30,000
Casa de Esperanza de Los Ninos, Inc	Houston TX 77054	N/A	2911 Corder St. 501.C.3	Operating Funds	10,000
Center for Hearing and Speech	Houston TX 77019	N/A	3636 W. Dallas 501.C.3	Operating Funds	25,000
Chaucer Drive Study Center	Houston TX 77005	N/A	5505 Chaucer Dr. 501.A	Operating Funds	10,000
Child Advocates, Inc	Houston TX 77098	N/A	2401 Portsmouth 501.C.3	Operating Funds	11,000
Children's Medical Center Foundatio	Austin TX 78723	N/A	4900 Mueller Blvd. 501.C.3	Operating Funds	25,000
Clayton Dabney Foundation for Kids	Houston TX 77024	N/A	12335 Kingsride #347 501.C.3	Operating Funds	50,000
Coastal Conservation Assoc, TX	Houston TX 77024	N/A	6919 Portwest Drive 501.C.3	Operating Funds	25,000
Community Fdn of Texas Hill Country	Kerrville TX 78029	N/A	301 Junction Hwy Ste 2468 501.C.3	Operating Funds	5,000
Cystic Fibrosis Foundation	Houston TX 77027	N/A	50 Briar Hollow Ln. 501.C.3	Operating Funds	25,000

## Federal Statements

**Statement 14 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)**

Name	Address	Relationship	Status	Purpose	Amount
Epilepsy Foundation Texas Houston TX 77057	N/A	2630 Fountain View Drive 501.C.3	Operating Funds		10,000
Eye Care for Kids Foundation Houston TX 77096	N/A	9660 Hillcroft 501.A	Operating Funds		10,000
Hermann Park Conservancy Houston TX 77030	N/A	6201-A Hermann Park Drive 501.C.3	Operating Funds		50,000
Hill Country Arts Foundation Ingram TX 78025	N/A	120 Point Theatre Road So 501.C.3	Operating Funds		20,000
Hill Country CASA Kerrville TX 78029	N/A	P.O. Box 290965 501.C.3	Operating Funds		15,000
Hill Country District Junior Kerrville TX 78029-1217	N/A	Livestock Show Assoc 501.C.3	Operating Funds		35,000
Hill Country Youth Ranch Ingram TX 78025	N/A	3522 Junction Hwy 501.C.3	Operating Funds		50,000
Houston Aphasia Recovery Center Houston TX 77057	N/A	6260 Westpark Dr 501.C	Operating Funds		10,000
Houston Arboretum & Nature Center Houston TX 77024	N/A	4501 Woodway Drive 501.C.3	Operating Funds		10,000
Houston Ballet Foundaton Houston TX 77002	N/A	601 Preston 501.C.3	Operating Funds		30,000
Houston Center For Literacy Houston TX 77098	N/A	2401 Portsmouth 501.C.3	Operating Funds		10,000
Houston Center for Photography Houston TX 77006	N/A	1441 West Alabama Street 501.C.3	Operating Funds		10,000
Houston Grand Opera Houston TX 77002	N/A	510 Preston St., Ste 50 501.C.3	Operating Funds		30,000
Houston Museum of Natual Science Houston TX 77030	N/A	5555 Hermann Drive 501.C.3	Operating Funds		25,000
Houston Symphony Society Houston TX 77002	N/A	615 Louisiana St., Ste 10 501.C.3	Operating Funds		30,000
Houston Zoo Houston TX 77030	N/A	1513 N. MacGregor 501.C.3	Operating Funds		30,000
Houston-Harris Co. Immunization Rgs Houston TX 77098	N/A	3015 Richmond Ave 501.C.3	Operating Funds		10,000

## Federal Statements

**Statement 14 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)**

Name	Address	Relationship	Status	Purpose	Amount
Hunt Volunteer Fire Deapar	Hunt TX 78024	N/A	PO Box 362 501.C.3	Operating Funds	10,000
Ingram Volunteer Fire Department	Ingram TX 78025	N/A	P.O. Box 271 501.A	Operating Funds	10,000
Memorial Park Conservancy, Inc.	Houston TX 77098	N/A	P.O. Box 131024 501.C.3	Operating Funds	10,000
Neighborhood Centers, Inc.	Houston TX 77277-1389	N/A	4500 Bissonnet, Ste 200 509.A	Operating Funds	20,000
Pathways for Little Feet	Houston TX 77046	N/A	8 Greenway Plaza, Ste 100 501.C.3	Operating Funds	10,000
Prayers Heard in Heaven	Houston TX 77083	N/A	9203 Highway 6 South 501.C.3	Operating Funds	10,000
San Angelo Christian Academy	San Angelo TX 76904	N/A	518 Country Club Road 501.C.3	Operating Funds	20,000
San Angelo Museum of Fine Arts	San Angelo TX 76903	N/A	One Love Street 501.C.3	Operating Funds	30,000
San Jose Clinic	Houston TX 77002	N/A	P. O. Box 2808 501.C.3	Operating Funds	5,000
Schreiner University	Kerrville TX 78028	N/A	2100 San Antonio 501.C.3	College Fund	30,000
SIRE, Inc	Hockley TX 77447	N/A	24161 Spring Drive 501.A	Operating Funds	10,000
Small Steps Nurturing Center	Houston TX 77026	N/A	2902 Jensen Drive 501.C.3	Operating Funds	35,000
Southmore Foundation, Inc.	Houston TX 77030	N/A	2011 Sheridan Street 501.C.3	Operating Funds	10,000
St. Luke's United Methodist Church	Houston TX 77027	N/A	St. Luke's Ctr for Cnslng 501.C	Operating Funds	10,000
Star of Hope Mission	Houston TX 77054	N/A	6897 Ardmore Street 501.C.3	Operating Funds	15,000
Texas Children's Hospital	Houston TX 77030	N/A	1919 South Braeswood 501.C	Operating Funds	250,000
The Children's Museum of Houston	Houston TX 77004	N/A	1500 Binz 509.A	Operating Funds	30,000

**Federal Statements****Statement 14 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)**

<u>Name</u>	<u>Address</u>	<u>Relationship</u>	<u>Status</u>	<u>Purpose</u>	<u>Amount</u>
The Monarch School, Inc. Houston TX 77080		N/A	2815 Rosefield Drive 501.C.3	Operating Funds	30,000
The Museum of Fine Arts, Houston Houston TX 77005		N/A	1001 Bissonnet 501.C.3	Operating Funds	100,000
The Woods Project Houston TX 77024		N/A	6 Sleepy Oaks Circle 501.C.3	Operating Funds	15,000
University of Houston Houston TX 77004		N/A	4800 Calhoun Rd 501.C.3	Operating Funds	1,000,000
W, Oscar Neuhaus Memorial Foundatio Bellaire TX 77401-3233		N/A	4433 Bissonnet 501.C.3	Operating Funds	10,000
Women's Home Houston TX 77006		N/A	607 Westheimer Road 501.C.3	Operating Funds	10,000
Workshop Houston Houston TX 77288-8365		N/A	P. O. Box 88365 501.C	Operating Funds	10,000
YMCA of Greater Houston Houston TX 77057		N/A	1331 Augusta Dr. 501.C.3	Scholarship	65,000
Total					<u>2,526,000</u>

REQUEST FOR 45R CREDIT ONLY

Exempt Organization Business Income Tax Return  
(and proxy tax under section 6033(e))

OMB No. 1545-0687

Form **990-T**

For calendar year 2013 or other tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

▶ See separate instructions.

**2013**

Department of the Treasury  
Internal Revenue Service

▶ Information about Form 990-T and its instructions is available at [www.irs.gov/form990t](http://www.irs.gov/form990t).

Open to Public Inspection for 501(c)(3) Organizations Only

▶ Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

**A**  Check box if address changed

**B** Exempt under section

501( C ) ( 3 )

408(e)  220(e)

408A  530(a)

529(a)

Name of organization (  Check box if name changed and see instructions.)

**Print or Type Sterling-Turner Foundation**

Number, street, and room or suite no. If a P.O. box, see instructions. **125**

**5850 San Felipe**

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

**Houston TX 77057**

**D Employer identification number**  
(Employees' trust, see instructions.)

**74-1460482**

**E Unrelated business activity codes**  
(See instructions.)

**C** Book value of all assets at end of year

**3,998,632**

**F** Group exemption number (See instructions.) ▶

**G** Check organization type ▶  501(c) corporation  501(c) trust  401(a) trust  Other trust

**H** Describe the organization's primary unrelated business activity.

▶

**I** During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? ..... ▶  Yes  No

If "Yes," enter the name and identifying number of the parent corporation.

▶

**J** The books are in care of ▶ **Patricia Stillely** Telephone number ▶ **713-237-1117**

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
<b>1a</b> Gross receipts or sales				
<b>b</b> Less returns and allowances				
<b>c</b> Balance	<b>1c</b>			
<b>2</b> Cost of goods sold (Schedule A, line 7)	<b>2</b>			
<b>3</b> Gross profit. Subtract line 2 from line 1c	<b>3</b>			
<b>4a</b> Capital gain net income (attach Form 8949 and Schedule D)	<b>4a</b>			
<b>b</b> Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	<b>4b</b>			
<b>c</b> Capital loss deduction for trusts	<b>4c</b>			
<b>5</b> Income (loss) from partnerships and S corporations (attach statement)	<b>5</b>			
<b>6</b> Rent income (Schedule C)	<b>6</b>			
<b>7</b> Unrelated debt-financed income (Schedule E)	<b>7</b>			
<b>8</b> Interest, annuities, royalties, and rents from controlled organizations (Schedule F)	<b>8</b>			
<b>9</b> Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	<b>9</b>			
<b>10</b> Exploited exempt activity income (Schedule I)	<b>10</b>			
<b>11</b> Advertising income (Schedule J)	<b>11</b>			
<b>12</b> Other income (See instructions; attach schedule.)	<b>12</b>			
<b>13 Total.</b> Combine lines 3 through 12	<b>13</b>	<b>0</b>		<b>0</b>

**Part II Deductions Not Taken Elsewhere** (See instructions for limitations on deductions.) (Except for contributions, deductions must be directly connected with the unrelated business income.)

<b>14</b> Compensation of officers, directors, and trustees (Schedule K)	<b>14</b>		
<b>15</b> Salaries and wages	<b>15</b>		
<b>16</b> Repairs and maintenance	<b>16</b>		
<b>17</b> Bad debts	<b>17</b>		
<b>18</b> Interest (attach schedule)	<b>18</b>		
<b>19</b> Taxes and licenses	<b>19</b>		
<b>20</b> Charitable contributions (See instructions for limitation rules.)	<b>20</b>		
<b>21</b> Depreciation (attach Form 4562)	<b>21</b>		
<b>22</b> Less depreciation claimed on Schedule A and elsewhere on return	<b>22a</b>		<b>22b</b>
<b>23</b> Depletion	<b>23</b>		
<b>24</b> Contributions to deferred compensation plans	<b>24</b>		
<b>25</b> Employee benefit programs	<b>25</b>		
<b>26</b> Excess exempt expenses (Schedule I)	<b>26</b>		
<b>27</b> Excess readership costs (Schedule J)	<b>27</b>		
<b>28</b> Other deductions (attach schedule)	<b>28</b>		
<b>29 Total deductions.</b> Add lines 14 through 28	<b>29</b>		
<b>30</b> Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	<b>30</b>		
<b>31</b> Net operating loss deduction (limited to the amount on line 30)	<b>31</b>		
<b>32</b> Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	<b>32</b>		
<b>33</b> Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions.)	<b>33</b>		<b>1,000</b>
<b>34 Unrelated business taxable income.</b> Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32.	<b>34</b>		<b>0</b>

Part III Tax Computation

Table with 3 columns: Description, Amount, and Line Number. Rows include Organizations Taxable as Corporations (35), Trusts Taxable at Trust Rates (36), Proxy tax (37), Alternative minimum tax (38), and Total (39).

Part IV Tax and Payments

Table with 3 columns: Description, Amount, and Line Number. Rows include Foreign tax credit (40a-40d), Total credits (40e), Other taxes (42), Total tax (43), Payments (44a-44g), Total payments (45), Estimated tax penalty (46), Tax due (47), Overpayment (48), and Refunded (49).

Part V Statements Regarding Certain Activities and Other Information (see instructions)

Table with 3 columns: Question, Yes, No. Questions 1-3 regarding foreign interests, distributions, and tax-exempt interest.

Schedule A - Cost of Goods Sold. Enter method of inventory valuation

Table with 3 columns: Description, Amount, and Line Number. Rows include Inventory at beginning/end of year (1, 6), Purchases (2), Cost of labor (3), Additional sec. 263A costs (4a, 4b), and Total (5).

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.

Signature of officer: Daniel P. McGuire, Executive Director. Date: 07/03/14.

May the IRS discuss this return with the preparer shown below (see instructions)? [X] Yes [ ] No

Paid Preparer Use Only: Print/Type preparer's name (Daniel P. McGuire), Preparer's signature (Daniel P. McGuire), Date (07/03/14), Check self-employed, PTIN (P00064895), Firm's name (Daniel P. McGuire, P.C.), Firm's EIN (76-0239059), Firm's address (10497 Town & Country Way Ste 520, Houston, TX 77024), Phone no. (713-932-0409).

**Schedule C – Rent Income (From Real Property and Personal Property Leased With Real Property)**

(see instructions)

**1. Description of property**

(1) <b>N/A</b>
(2)
(3)
(4)

**2. Rent received or accrued**

(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)		
(2)		
(3)		
(4)		

<b>Total</b>	<b>Total</b>	<b>(b) Total deductions.</b> Enter here and on page 1, Part I, line 6, column (B) ▶
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**(c) Total income.** Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) ▶

**Schedule E – Unrelated Debt-Financed Income (see instructions)**

1. Description of debt-financed property	2. Gross income from or allocable to debt-financed property	3. Deductions directly connected with or allocable to debt-financed property	
		(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)
(1) <b>N/A</b>			
(2)			
(3)			
(4)			

4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5. Average adjusted basis of or allocable to debt-financed property (attach schedule)	6. Column 4 divided by column 5	7. Gross income reportable (column 2 x column 6)	8. Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		

<b>Totals</b> .....	Enter here and on page 1, Part I, line 7, column (A). ▶	Enter here and on page 1, Part I, line 7, column (B).
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**Total dividends-received deductions** included in column 8 .....

**Schedule F – Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)**

1. Name of controlled organization	2. Employer identification number	Exempt Controlled Organizations			
		3. Net unrelated income (loss) (see instructions)	4. Total of specified payments made	5. Part of column 4 that is included in the controlling organization's gross inc.	6. Deductions directly connected with income in column 5
(1) <b>N/A</b>					
(2)					
(3)					
(4)					

**Nonexempt Controlled Organizations**

7. Taxable Income	8. Net unrelated income (loss) (see instructions)	9. Total of specified payments made	10. Part of column 9 that is included in the controlling organization's gross income	11. Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				

<b>Totals</b> .....	Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A). ▶	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).
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**Schedule G – Investment Income of a Section 501(c)(7), (9), or (17) Organization** (see instructions)

1. Description of income	2. Amount of income	3. Deductions directly connected (attach schedule)	4. Set-asides (attach schedule)	5. Total deductions and set-asides (col. 3 plus col.4)
(1) <b>N/A</b>				
(2)				
(3)				
(4)				
<b>Totals</b> .....		Enter here and on page 1, Part I, line 9, column (A).		Enter here and on page 1, Part I, line 9, column (B).

**Schedule I – Exploited Exempt Activity Income, Other Than Advertising Income** (see instructions)

1. Description of exploited activity	2. Gross unrelated business income from trade or business	3. Expenses directly connected with production of unrelated business income	4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5. Gross income from activity that is not unrelated business income	6. Expenses attributable to column 5	7. Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1) <b>N/A</b>						
(2)						
(3)						
(4)						
<b>Totals</b> .....		Enter here and on page 1, Part I, line 10, col. (A).	Enter here and on page 1, Part I, line 10, col. (B).			Enter here and on page 1, Part II, line 26.

**Schedule J – Advertising Income** (see instructions)

**Part I Income From Periodicals Reported on a Consolidated Basis**

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1) <b>N/A</b>						
(2)						
(3)						
(4)						
<b>Totals</b> (carry to Part II, line (5)) .....						

**Part II Income From Periodicals Reported on a Separate Basis** (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1) <b>N/A</b>						
(2)						
(3)						
(4)						
<b>Totals from Part I</b> .....						
<b>Totals, Part II</b> (lines 1-5) .....		Enter here and on page 1, Part I, line 11, col. (A).	Enter here and on page 1, Part I, line 11, col. (B).			Enter here and on page 1, Part II, line 27.

**Schedule K – Compensation of Officers, Directors, and Trustees** (see instructions)

1. Name	2. Title	3. Percent of time devoted to business	4. Compensation attributable to unrelated business
(1) <b>N/A</b>		%	
(2)		%	
(3)		%	
(4)		%	

**Total.** Enter here and on page 1, Part II, line 14 .....

Form **8941****Credit for Small Employer Health Insurance Premiums**

OMB No. 1545-2198

**2013**Department of the Treasury  
Internal Revenue Service▶ **Attach to your tax return.**▶ **Information about Form 8941 and its separate instructions is at [www.irs.gov/form8941](http://www.irs.gov/form8941).**Attachment  
Sequence No. **63**

Name(s) shown on return

Identifying number

**Sterling-Turner Foundation****74-1460482****Caution.** See the instructions and complete Worksheets 1 through 7 as needed.

<b>1a</b> Enter the number of individuals you employed during the tax year who are considered employees for purposes of this credit (total from Worksheet 1, column (a))	<b>1a</b>	<b>2</b>
<b>b</b> Enter the employer identification number (EIN) used to report employment taxes for individuals included on line 1a if different from the identifying number listed above	<b>1b</b>	
<b>2</b> Enter the number of full-time equivalent employees (FTEs) you had for the tax year (from Worksheet 2, line 3). If you entered 25 or more, skip lines 3 through 11 and enter -0- on line 12	<b>2</b>	
<b>3</b> Average annual wages you paid for the tax year (from Worksheet 3, line 3). If you entered \$50,000 or more, skip lines 4 through 11 and enter -0- on line 12	<b>3</b>	
<b>4</b> Premiums you paid during the tax year for employees included on line 1a for health insurance coverage under a qualifying arrangement (total from Worksheet 4, column (b))	<b>4</b>	<b>7,469</b>
<b>5</b> Premiums you would have entered on line 4 if the total premium for each employee equaled the average premium for the small group market in which you offered health insurance coverage (total from Worksheet 4, column (c))	<b>5</b>	<b>26,626</b>
<b>6</b> Enter the <b>smaller</b> of line 4 or line 5	<b>6</b>	<b>7,469</b>
<b>7</b> Multiply line 6 by the applicable percentage: • Tax-exempt small employers, multiply line 6 by 25% (.25) • All other small employers, multiply line 6 by 35% (.35)	<b>7</b>	<b>1,867</b>
<b>8</b> If line 2 is 10 or less, enter the amount from line 7. Otherwise, enter the amount from Worksheet 5, line 6	<b>8</b>	<b>1,867</b>
<b>9</b> If line 3 is \$25,000 or less, enter the amount from line 8. Otherwise, enter the amount from Worksheet 6, line 7	<b>9</b>	<b>1,867</b>
<b>10</b> Enter the total amount of any state premium subsidies paid and any state tax credits available to you for premiums included on line 4 (see instructions)	<b>10</b>	
<b>11</b> Subtract line 10 from line 4. If zero or less, enter -0-	<b>11</b>	<b>7,469</b>
<b>12</b> Enter the <b>smaller</b> of line 9 or line 11	<b>12</b>	<b>1,867</b>
<b>13</b> If line 12 is zero, skip lines 13 and 14 and go to line 15. Otherwise, enter the number of employees included on line 1a for whom you paid premiums during the tax year for health insurance coverage under a qualifying arrangement (total from Worksheet 4, column (a))	<b>13</b>	<b>2</b>
<b>14</b> Enter the number of FTEs you would have entered on line 2 if you only included employees included on line 13 (from Worksheet 7, line 3)	<b>14</b>	<b>2</b>
<b>15</b> Credit for small employer health insurance premiums from partnerships, S corporations, cooperatives, estates, and trusts (see instructions)	<b>15</b>	
<b>16</b> Add lines 12 and 15. Cooperatives, estates, and trusts, go to line 17. Tax-exempt small employers, skip lines 17 and 18 and go to line 19. Partnerships and S corporations, stop here and report this amount on Schedule K. All others, stop here and report this amount on Form 3800, line 4h	<b>16</b>	<b>1,867</b>
<b>17</b> Amount allocated to patrons of the cooperative or beneficiaries of the estate or trust (see instructions)	<b>17</b>	
<b>18</b> Cooperatives, estates, and trusts, subtract line 17 from line 16. Stop here and report this amount on Form 3800, line 4h	<b>18</b>	
<b>19</b> Enter the amount you paid in 2013 for taxes considered payroll taxes for purposes of this credit (see instructions)	<b>19</b>	<b>5,680</b>
<b>20</b> Tax-exempt small employers, enter the <b>smaller</b> of line 16 or line 19 here and on Form 990-T, line 44f	<b>20</b>	<b>1,867</b>

**For Paperwork Reduction Act Notice, see separate instructions.**Form **8941** (2013)

Form **4562**

Department of the Treasury  
Internal Revenue Service (99)

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

OMB No. 1545-0172

**2013**

Attachment  
Sequence No. **179**

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

Name(s) shown on return

**Sterling-Turner Foundation**

Identifying number

**74-1460482**

Business or activity to which this form relates

**Indirect Depreciation**

**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.

<b>1</b>	Maximum amount (see instructions)	<b>1</b>	<b>500,000</b>
<b>2</b>	Total cost of section 179 property placed in service (see instructions)	<b>2</b>	
<b>3</b>	Threshold cost of section 179 property before reduction in limitation (see instructions)	<b>3</b>	<b>2,000,000</b>
<b>4</b>	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	<b>4</b>	
<b>5</b>	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	<b>5</b>	
<b>6</b>	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
<b>7</b>	Listed property. Enter the amount from line 29	<b>7</b>	
<b>8</b>	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	<b>8</b>	
<b>9</b>	Tentative deduction. Enter the <b>smaller</b> of line 5 or line 8	<b>9</b>	
<b>10</b>	Carryover of disallowed deduction from line 13 of your 2012 Form 4562	<b>10</b>	
<b>11</b>	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	<b>11</b>	
<b>12</b>	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	<b>12</b>	
<b>13</b>	Carryover of disallowed deduction to 2014. Add lines 9 and 10, less line 12	<b>13</b>	

**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.)**

<b>14</b>	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	<b>14</b>	<b>450</b>
<b>15</b>	Property subject to section 168(f)(1) election	<b>15</b>	
<b>16</b>	Other depreciation (including ACRS)	<b>16</b>	

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

**Section A**

<b>17</b>	MACRS deductions for assets placed in service in tax years beginning before 2013	<b>17</b>	<b>340</b>
<b>18</b>	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
<b>19a</b> 3-year property						
<b>b</b> 5-year property						
<b>c</b> 7-year property		<b>450</b>	<b>7.0</b>	<b>HY</b>	<b>200DB</b>	<b>64</b>
<b>d</b> 10-year property						
<b>e</b> 15-year property						
<b>f</b> 20-year property						
<b>g</b> 25-year property			25 yrs.		S/L	
<b>h</b> Residential rental property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
<b>i</b> Nonresidential real property			39 yrs.	MM	S/L	

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

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

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

<b>21</b>	Listed property. Enter amount from line 28	<b>21</b>	
<b>22</b>	<b>Total.</b> 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	<b>22</b>	<b>854</b>
<b>23</b>	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	<b>23</b>	

**For Paperwork Reduction Act Notice, see separate instructions.**

Form **4562** (2013)