Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

► Do not enter social security numbers on this form as it may be made public.
► Information about Form 990-PF and its separate instructions is at *www.irs.gov/form990pf.*

OMB No. 1545-0052

2014

Open to Public Inspection

For calendar year 2014, or tax year beginning , 2014, and ending ,

Name of foundation: Albert and Margaret Alkek Foundation

A Employer identification number: 76-0491186

Number and street (or P.O. box number if mail is not delivered to street address): 1100 Louisiana St — Room/suite: 5250

B Telephone number (see instructions): (713) 652-6601

City or town, state or province, country, and ZIP or foreign postal code: Houston TX 77002

C If exemption application is pending, check here ► ☐

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

D 1 Foreign organizations, check here ► ☐
2 Foreign organizations meeting the 85% test, check here and attach computation ► ☐

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

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

I Fair market value of all assets at end of year (from Part II, column (c), line 16) ► $ 238,898,192.

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

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

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

	Line	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
REVENUE	1 Contributions, gifts, grants, etc, received (attach schedule)	1,563,036.			
	2 Ck ► ☐ if the foundn is **not** required to attach Sch B				
	3 Interest on savings and temporary cash investments	403.	403.		
	4 Dividends and interest from securities	809,338.	809,338.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	13,606,936.	L-6a Stmt		
	b Gross sales price for all assets on line 6a 30,981,456.				
	7 Capital gain net income (from Part IV, line 2)		13,373,190.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less: Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule) See Line 11 Stmt	3,485,354.	2,725,534.		
	12 **Total.** Add lines 1 through 11	19,465,067.	16,908,465.		
OPERATING AND ADMINISTRATIVE EXPENSES	13 Compensation of officers, directors, trustees, etc	693,711.	399,096.		235,424.
	14 Other employee salaries and wages	17,537.	764.		16,660.
	15 Pension plans, employee benefits	37,457.	24,960.		8,795.
	16a Legal fees (attach schedule)	837,082.	837,082.		
	b Accounting fees (attach sch)	21,849.	12,211.		6,712.
	c Other prof. fees (attach sch)	502,875.	502,875.		
	17 Interest				
	18 Taxes (attach schedule)(see instrs) See Line 18 Stmt	75,076.	76.		
	19 Depreciation (attach sch) and depletion	37,181.	21,620.		
	20 Occupancy	125.	79.		37.
	21 Travel, conferences, and meetings	13,936.	13,056.		569.
	22 Printing and publications	481.	393.		30.
	23 Other expenses (attach schedule) See Line 23 Stmt	2,468,220.	2,057,089.		4,316.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	4,705,530.	3,869,301.		272,543.
	25 Contributions, gifts, grants paid	11,950,000.			11,950,000.
	26 **Total expenses and disbursements.** Add lines 24 and 25	16,655,530.	3,869,301.		12,222,543.
	27 Subtract line 26 from line 12:				
	a **Excess of revenue over expenses and disbursements**	2,809,537.			
	b **Net investment income** (if negative, enter -0-)		13,039,164.		
	c **Adjusted net income** (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	306.	306.	306.
2	Savings and temporary cash investments	665,049.	6,372,113.	6,372,113.
3	Accounts receivable ► 448,388.			
	Less: allowance for doubtful accounts ►	166,103.	448,388.	448,388.
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			
10 a	Investments — U.S. and state government obligations (attach schedule)			
b	Investments — corporate stock (attach schedule)	35,108,648.	43,972,673.	67,204,469.
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)	144,977,643.	135,262,608.	164,807,155.
14	Land, buildings, and equipment: basis ► 287,104.			
	Less: accumulated depreciation (attach schedule) ► 268,304.	55,981.	18,800.	45,675.
15	Other assets (describe ►)	19,111.	19,111.	20,086.
16	**Total assets** (to be completed by all filers — see the instructions. Also, see page 1, item I)	180,992,841.	186,093,999.	238,898,192.
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 ►)			
23	**Total liabilities** (add lines 17 through 22)			
NET ASSETS OR FUND BALANCES	**Foundations that follow SFAS 117, check here ► X and complete lines 24 through 26 and lines 30 and 31.**			
24	Unrestricted	180,992,841.	186,093,999.	
25	Temporarily restricted			
26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ► ☐ and complete lines 27 through 31.			
27	Capital stock, trust principal, or current funds			
28	Paid-in or capital surplus, or land, bldg., and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds			
30	**Total net assets or fund balances** (see instructions)	180,992,841.	186,093,999.	
31	**Total liabilities and net assets/fund balances** (see instructions)	180,992,841.	186,093,999.	

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	180,992,841.
2	Enter amount from Part I, line 27a	2	2,809,537.
3	Other increases not included in line 2 (itemize) ► See attached schedule	3	3,652,390.
4	Add lines 1, 2, and 3	4	187,454,768.
5	Decreases not included in line 2 (itemize) ► See attached schedule	5	1,360,769.
6	Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	6	186,093,999.

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	See attached statement			
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	30,747,710.		17,374,520.	13,373,190.
b				
c				
d				
e				

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

	(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	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a				13,373,190.
b				
c				
d				
e				

2	Capital gain net income or (net capital loss). If gain, also enter in Part I, line 7. If (loss), enter -0- in Part I, line 7	2	13,373,190.
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))
2013	11,254,688.	222,324,491.	0.050623
2012	10,583,884.	210,815,917.	0.050204
2011	10,744,703.	213,150,343.	0.050409
2010	10,228,677.	203,946,002.	0.050154
2009	9,946,576.	190,851,358.	0.052117

2	**Total** of line 1, column (d)	2	0.253507
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	0.050701
4	Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	237,608,002.
5	Multiply line 4 by line 3	5	12,046,963.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	130,392.
7	Add lines 5 and 6	7	12,177,355.
8	Enter qualifying distributions from Part XII, line 4	8	12,222,543.

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

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

1 a	Exempt operating foundations described in section 4940(d)(2), check here ► [ ] and enter 'N/A' on line 1. Date of ruling or determination letter: _______ **(attach copy of letter if necessary — see instrs)**		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► [X] and enter 1% of Part I, line 27b	1	130,392.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0.
3	Add lines 1 and 2	3	130,392.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0.
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-	5	130,392.
6	Credits/Payments:		
a	2014 estimated tax pmts and 2013 overpayment credited to 2014 — 6 a: 155,176.		
b	Exempt foreign organizations — tax withheld at source — 6 b:		
c	Tax paid with application for extension of time to file (Form 8868) — 6 c: 25,000.		
d	Backup withholding erroneously withheld — 6 d:		
7	Total credits and payments. Add lines 6a through 6d	7	180,176.
8	Enter any **penalty** for underpayment of estimated tax. Check here [ ] if Form 2220 is attached	8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ►	9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ►	10	49,784.
11	Enter the amount of line 10 to be: **Credited to 2015 estimated tax** ► 49,784. **Refunded** ►	11	

Part VII-A Statements Regarding Activities

			Yes	No
1 a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1 a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1 b		X
	*If the answer is 'Yes' to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1 c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation ► $ ______ **(2)** On foundation managers ► $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► $ ______			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If 'Yes,' attach a detailed description of the activities.*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If 'Yes,' attach a conformed copy of the changes*	3		X
4 a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4 a	X	
b	If 'Yes,' has it filed a tax return on **Form 990-T** for this year?	4 b	X	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If 'Yes,' attach the statement required by General Instruction T.*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If 'Yes,' complete Part II, column (c), and Part XV*	7	X	
8 a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► TX - Texas			
b	If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If 'No,' attach explanation*	8 b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2014 or the taxable year beginning in 2014 (see instructions for Part XIV)? *If 'Yes,' complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? *If 'Yes,' attach a schedule listing their names and addresses*	10		X

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

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ► www.alkek.org

14 The books are in care of ► Scott Seaman Telephone no. ► (713) 652-6601

Located at ► 1100 Louisiana, Ste 5250 Houston TX ZIP + 4 ► 77002

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

and enter the amount of tax-exempt interest received or accrued during the year ► 15

			Yes	No
16	At any time during calendar year 2014, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See the instructions for exceptions and filing requirements for FinCEN Form 114, (formerly TD F 90-22.1). If 'Yes,' enter the name of the foreign country ►			

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

	File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.		Yes	No
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? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☒ Yes ☐ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No			
b	If any answer is 'Yes' to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1 b		X
	Organizations relying on a current notice regarding disaster assistance check here ► ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2014?	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 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? ☐ Yes ☒ No If 'Yes,' list the years ► 20__ , 20__ , 20__ , 20__ .			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer 'No' and attach statement — see instructions.)	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. ► 20__ , 20__ , 20__ , 20__ .			
3 a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☒ Yes ☐ No			
b	If 'Yes,' did it have excess business holdings in 2014 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 2014.)*	3 b		X
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 2014?	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 4945(d)(4)(A)? (see instructions) ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ 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** No: X

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
See attached statement				

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 ► None

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
Cummings & Lockwood LLC Six Landmark Square Stamford CT 06901	legal counsel	737,973.
Wells Capital Management 525 Market Street, 10th Floor San Francisco CA 94105	investment management	104,855.
Iridian Asset Management LLC 276 Post Road West Westport CT 06880	investment management	153,361.
Eagle Capital Management, LLC 499 Park Avenue New York NY 10022	investment management	111,995.
Constellation Investment Consulting Corporation 305 Madison Avenue, Suite 2036 New York NY 10165	litigation consulting	96,101.
Total number of others receiving over $50,000 for professional services ►		2

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	
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	
2	
All other program-related investments. See instructions. 3	
Total. Add lines 1 through 3 ►	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes:			
a	Average monthly fair market value of securities		1a	62,904,034.
b	Average of monthly cash balances		1b	6,059,231.
c	Fair market value of all other assets (see instructions)		1c	172,263,133.
d	**Total** (add lines 1a, b, and c)		1d	241,226,398.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e 0.		
2	Acquisition indebtedness applicable to line 1 assets		2	0.
3	Subtract line 2 from line 1d		3	241,226,398.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)		4	3,618,396.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	237,608,002.
6	**Minimum investment return.** Enter 5% of line 5		6	11,880,400.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ► ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6		1	11,880,400.
2a	Tax on investment income for 2014 from Part VI, line 5	2a 130,392.		
b	Income tax for 2014. (This does not include the tax from Part VI.)	2b		
c	Add lines 2a and 2b		2c	130,392.
3	Distributable amount before adjustments. Subtract line 2c from line 1		3	11,750,008.
4	Recoveries of amounts treated as qualifying distributions		4	
5	Add lines 3 and 4		5	11,750,008.
6	Deduction from distributable amount (see instructions)		6	
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1		7	11,750,008.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc, purposes:		
a	Expenses, contributions, gifts, etc — total from Part I, column (d), line 26	1a	12,222,543.
b	Program-related investments — total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	2	0.
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	12,222,543.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	130,392.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	12,092,151.

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 2013	(c) 2013	(d) 2014
1 Distributable amount for 2014 from Part XI, line 7				11,750,008.
2 Undistributed income, if any, as of the end of 2014:				
a Enter amount for 2013 only			3,352,253.	
b Total for prior years: 20 ___ , 20 ___ , 20 ___				
3 Excess distributions carryover, if any, to 2014:				
a From 2009 . . . . . . 0.				
b From 2010 . . . . . . 0.				
c From 2011 . . . . . . 0.				
d From 2012 . . . . . . 0.				
e From 2013 . . . . . . 0.				
f **Total** of lines 3a through e	0.			
4 Qualifying distributions for 2014 from Part XII, line 4: ► $ 12,222,543.				
a Applied to 2013, but not more than line 2a			3,352,253.	
b Applied to undistributed income of prior years (Election required — see instructions)		0.		
c Treated as distributions out of corpus (Election required — see instructions)	0.			
d Applied to 2014 distributable amount				8,870,290.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2014 *(If an amount appears in column (d), the same amount must be shown in column (a).)*				
6 **Enter the net total of each column as indicated below:**				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount — see instructions		0.		
e Undistributed income for 2013. Subtract line 4a from line 2a. Taxable amount — see instructions			0.	
f Undistributed income for 2014. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2015				2,879,718.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required — see instructions)				
8 Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions)	0.			
9 **Excess distributions carryover to 2015.** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2010 . . 0.				
b Excess from 2011 . . 0.				
c Excess from 2012 . . 0.				
d Excess from 2013 . . 0.				
e Excess from 2014 . . 0.				

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 2014, enter the date of the ruling

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			
	(a) 2014	(b) 2013	(c) 2012	(d) 2011	(e) Total
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a 'Assets' alternative test – enter: (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b 'Endowment' alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c 'Support' alternative test – enter: (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year – see instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000). (See section 507(d)(2).)

None

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

None

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

Check here ► ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc (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:

Charles Williams
1100 Louisiana St., Suite 5250
Houston TX 77002 (713) 652-6601

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

See guidelines at www.alkek.org.

c Any submission deadlines:

None

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

Limited to non-profit organizations in the State of Texas.

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
See attached statement				11,950,000.
Total . . . . ► **3 a**				11,950,000.
b *Approved for future payment*				
See attached statement				15,234,000.
Total . . . . ► **3 b**				15,234,000.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions.)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	403.	
4 Dividends and interest from securities			14	809,338.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory	525990	233,746.	18	13,373,190.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a Passthrough K-1 Income	525990	759,820.	18	2,724,505.	
b Oil and gas royalty revenue			15	1,029.	
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		993,566.		16,908,465.	

13 **Total.** Add line 12, columns (b), (d), and (e) . . . 13 17,902,031.

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

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See instructions.)

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

		Yes	No
1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) 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)		X
(2) Other assets	1 a (2)		X
b Other transactions:			
(1) Sales of assets to a noncharitable exempt organization	1 b (1)		X
(2) Purchases of assets from a noncharitable exempt organization	1 b (2)		X
(3) Rental of facilities, equipment, or other assets	1 b (3)		X
(4) Reimbursement arrangements	1 b (4)		X
(5) Loans or loan guarantees	1 b (5)		X
(6) Performance of services or membership or fundraising solicitations	1 b (6)	X	
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1 c		X

d If the answer to any of the above is 'Yes,' complete the following schedule. Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received.

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
1b(6)	1,450.	Exponent Philanthropy	membership dues

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? [X] Yes [ ] No

b If 'Yes,' complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
Alkek & Williams Foundation	501(c)(3)	common directors

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer or trustee: [signature] Date: 11-11-15 Title: Executive Director

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	Preparer's signature	Date	Check [ ] if self-employed	PTIN
Cynthia G. Matthews	Cynthia G. Matthews	11/11/15		P00286341

Firm's name ► STEVENS & MATTHEWS LLP — Firm's EIN ► 26-3922905

Firm's address ► 1177 WEST LOOP SOUTH SUITE 600, HOUSTON TX 77027 — Phone no. (713) 621-1177

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*.**

OMB No. 1545-0047

2014

Name of the organization	Employer identification number
Albert and Margaret Alkek Foundation	76-0491186

Organization type (check one):

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

Check if your organization is covered by the **General Rule** or a **Special Rule**

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

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

Special Rules

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

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

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

Caution: An organization that 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).

Name of organization: Albert and Margaret Alkek Foundation

Employer identification number: 76-0491186

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	Margaret Alkek Charitable Lead Annuity Trust 1100 Louisiana St., Suite 5250 Houston TX 77002	$ 1,563,036.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)

Albert and Margaret Alkek Foundation
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Page 1, Part I, Line 6a – Net Gain or Loss From Sale of Assets and
Page 1, Part I, Line 6b – Gross Sales Price for All Assets on Line 6a :

	Line 6(a) Revenue Per Books	Line 6(b) Gross Sales Price
Publicly Traded Securities	4,515,515	12,857,236
Capital Gain Dividends	273,913	273,913
Security Litigation Settlements	32,085	32,085
Passthrough K-1 Capital Gains	3,829,507	3,829,507
Passthrough K-1 Capital Losses	-619,404	0
Passthrough K-1 UBTI	233,746	233,746
Non-US Hedge Funds	4,992,304	13,405,699
Non-US Gains in Excess of Basis	349,270	349,270
	13,606,936	30,981,456

Page 1, Part I, Line 11 – Other Income:

	(a) Revenue Per Books	(b) Net Investment Income
Passthrough K-1 Income		
Interest Income	1,219,399	1,199,882
Dividend Income	1,130,004	1,127,698
Other Income	1,134,922	396,925
Oil and Gas Royalty Income	1,029	1,029
	3,485,354	2,725,534

IRC Section 751 Statement

The Foundation has reported ordinary income upon the distribution of units in master limited partnerships as provided by the General Partners. The amount was determined in accordance with Internal Revenue Code Section 751. Detailed information is available from the General Partners upon request.

Albert and Margaret Alkek Foundation
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Page 1, Part I, Line 16a, b and c – Legal, Accounting & Other Professional Fees:

	(a) Expenses Per Books	(b) Net Investment Income	(d) Charitable Purposes
16a – Legal Fees			
Legal Fees	837,082	837,082	0
	837,082	837,082	0
16b – Accounting Fees			
Audit Services	17,905	10,516	5,866
Tax Services	3,944	1,695	846
	21,849	12,211	6,712
16c – Other Professional Fees			
Management Fees	449,208	449,208	0
Custody Fees	53,667	53,667	0
	502,875	502,875	0

Page 1, Part I, Line 18 – Taxes:

	(a) Expenses Per Books	(b) Net Investment Income
Excise Tax Payments (Form 990-PF)	75,000	0
Production Taxes on Oil and Gas Royalty Interest	76	76
	75,076	76

Page 1, Part I, Line 19 – Depreciation:

	(a) Expenses Per Books	(b) Net Investment Income
Straight line depreciation on furniture and equipment with a 5-7 year life and varied purchase dates	37,181	21,620
	37,181	21,620

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Page 1, Part I, Line 23 – Other Expenses:

	(a) Expenses Per Books	(b) Net Investment Income	(d) Charitable Purposes
Passthrough K-1 Expenses			
Other Deductions	1,549,132	1,212,189	0
Management Fees	650,464	650,464	0
Depletion	157,383	94,039	0
Foreign Taxes	64,465	64,294	0
Interest Expense	32,794	28,935	0
General and Administrative	13,878	7,064	4,316
Oil and Gas Royalty Expense	104	104	0
	2,468,220	2,057,089	4,316

Page 2, Part II, Line 3 – Accounts Receivable:

	Book Value	Fair Market Value
Liquidations Receivable from Foreign Investment Funds	448,276	448,276
Expenses paid on behalf of an Investment Partnership	112	112
	448,388	448,388

Page 2, Part II, Line 10b – Investments – Corporate Stock:

	Book Value	Fair Market Value
Directly Held	15,570,008	25,898,092
Managed Accounts	28,402,665	41,306,377
	43,972,673	67,204,469

Page 2, Part II, Line 13 – Investments – Other:

	Book Value	Fair Market Value
Non-Marketable Corporate Equity Securities	2,467,374	2,570,361
US Partnerships, Corporations and Trusts	72,349,133	89,091,140
Non-US Partnerships and Corporations	60,446,101	73,145,654
	135,262,608	164,807,155

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<u>Page 2, Part II, Line 14 – Description of Land, Buildings, and Equipment</u>:

	Cost Basis	Accumulated Depreciation	Book Value	Fair Market Value
Furniture	265,537	253,232	12,305	40,425
Equipment	21,567	15,072	6,495	5,250
	287,104	268,304	18,800	45,675

<u>Page 2, Part II, Line 15 – Other Assets:</u>

	Book Value	Fair Market Value
Oil and Gas Royalty Interest	0	975
Retainer	19,111	19,111
	19,111	20,086

<u>Page 2, Part III, Line 3 – Other Increases Not Included in Line 2:</u>

Book/tax Differences in Investments	3,652,390

<u>Page 2, Part III, Line 5 – Other Decreases Not Included in Line 2:</u>

Book/tax Differences in Investments	1,359,215
Meals Expense Subject to 50% Limitation	1,554
	1,360,769

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Page3, Part IV, Line 1 – Capital Gains and Losses for Tax on Investment Income:

	(a) Description	(b) How Acquired	(c) Date Acquired	(d) Date Sold
a	Publicly Traded Securities			
b	Capital Gain Dividends	Purchase	Various	12/19/14
c	Security Litigation Settlements	Purchase	Various	Various
d	Passthrough K-1 Capital Gains	Purchase	Various	Various
e	Passthrough K-1 Capital Losses	Purchase	Various	Various
f	Non-US Hedge Funds	Purchase	Various	Various
g	Non-US Gains in Excess of Basis	Purchase	Various	Various

	(e) Gross Sales Price	(f) Depreciation	(g) Cost Basis	(h) Gain or (loss)
a	12,857,236		8,341,721	4,515,515
b	273,913			273,913
c	32,085			32,085
d	3,829,507			3,829,507
e			619,404	-619,404
f	13,405,699		8,413,395	4,992,304
g	349,270			349,270
	30,747,710		17,374,520	13,373,190

	(i) FMV 12/31/69	(j) Adj Bas 12/31/69	(k) Excess	(l) Gain or (loss)
a				4,515,515
b				273,913
c				32,085
d				3,829,507
e				-619,404
f				4,992,304
g				349,270
				13,373,190

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Page 6, Part VIII, Line 1 – Information About Officers and Directors:

(a) Name and Address	(b) Title and Average Hours Per Week Devoted to Position	(c) Compensation	(d) Contributions to Employee Benefit Plans
Bobby R. Alford, MD	Director Periodic Board Meetings	15,000	0
Daniel C. Arnold	Director Periodic Board and Committee Meetings	18,000	0
Sandra K. Bacak	Assistant Secretary and Controller 40 Hours	110,180	14,809
Joe M. Bailey	Director Periodic Board and Committee Meetings	18,000	0
Paul Klotman, MD	Director Periodic Board Meetings	15,000	0
Scott B. Seaman	Director , Treasurer, and Executive Director 15 – 40 Hours	334,531	0
Charles A. Williams	Director and President 10 - 25 Hours	150,000	0
Margaret Alkek Williams	Director Periodic Board Meetings	15,000	0
Randa D. Williams	Director Periodic Board and Committee Meetings	18,000	0
		693,711	14,809

Part VIII, Column (a) 1100 Louisiana Street, Suite 5250, Houston, TX 77002

Part VIII, Column (d) Includes contributions to employee benefit plan and medical insurance premiums.

Part VIII, Column (e) Payments for expense accounts or other allowances: None.

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Page 11, Part XV, Line 3a – Grants and Contributions Paid:

Recipient Name and Address	Recipient Status	Purpose of Grant or Contribution	Amount
Medical:			
Arthur Nagel Community Clinic, Inc. PO Box 519, Bandera, TX 78003	PC	RiskBusters Preventative Care Program	20,000
Baylor College of Medicine One Baylor Plaza, Houston, TX 77030	PC	Medical research and educational programs	2,250,000
Baylor College of Medicine One Baylor Plaza, Houston, TX 77030	PC	Faculty recruitment in the Department of Medicine	6,040,000
Baylor College of Medicine One Baylor Plaza, Houston, TX 77030	PC	Underwrite expenses of the BCM Wellness 6k Race/Walk	10,000
HeartGift Foundation PO Box 691711, Houston, TX 77269	PC	Underwrite heart surgery expenses of an indigent patient	25,000
Houston Methodist Hospital Foundation 6565 Fannin, Houston, TX 77030	SO I	Oral and Maxillofacial Surgery Department	25,000
The University of Texas MD Anderson Cancer Center PO Box 4486, Houston, TX 77210	GOV	Neurodegeneration Consortium	1,000,000
			9,370,000
Educational:			
Episcopal High School 4650 Bissonnet St, Bellaire, TX 77401	PC	For scholarships	49,500
St Francis Episcopal Day School 335 Piney Point, Houston, TX 77024	PC	A Time to Grow Capital Campaign	15,000
St Mary's University One Camino Santa Maria San Antonio, TX 78228	PC	Support for the mechanical engineering program and equipment	200,000
St Thomas High School 4500 Memorial Dr, Houston, TX 77007	PC	4500Forever Capital Campaign	500,000
Texas State University-San Marcos 601 University Dr, San Marcos, TX 78666	GOV	Construction of the Research Collections Repository	200,000
TMI – The Episcopal School of Texas 20955 W Tejas Trail, San Antonio, TX 78257	PC	Alkek Scholars Program	173,500
			1,138,000

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Page 11, Part XV, Line 3a – Grants and Contributions Paid, Continued:

Recipient Name and Address	Recipient Status	Purpose of Grant or Contribution	Amount
Cultural:			
Alley Theatre 615 Texas Ave, Houston, TX 77002	PC	Extended Engagement Capital Campaign	1,000,000
River Oaks Chamber Orchestra 1973 West Gray, Houston, TX 77027	PC	Support for the 2014–2015 season	50,000
Texas Medical Center Orchestra PO Box 980983, Houston, TX 77098	PC	Support for the 2014–2015 concert series	40,000
			1,090,000
Community:			
Amazing Place 3735 Drexel, Houston, TX 77027	PC	Support activities for and care of patients with dementia	10,000
Bandera Public Library Corporation PO Box 1568, Bandera, TX 78003	PC	Purchase four public access computers	2,500
Bandera Public Library Corporation PO Box 1568, Bandera, TX 78003	PC	Expenses of the 2014 Wild Hog Explosion	30,000
Bandera Sports Complex PO Box 2901, Bandera, TX 78003	PC	Purchase equipment to maintain the facilities	8,500
Boys and Girls Club of Bandera County PO Box 3155, Bandera, TX 78003	PC	Matching grant and to hire a development director	35,000
Depression and Bipolar Support Alliance Greater Houston PO Box 27607, Houston, TX 77227	PC	Operational support of the free and confidential support group program	10,000
First Tee of Greater Houston 5810 Wilson Rd, Ste 112, Humble, TX 77396	PC	National School Program	20,000
Halo House Foundation 4010 Blue Bonnet, #110, Houston, TX 77025	PC	Operational support of cancer patient programs	25,000
Lift Up America 27525 Puerta Real, 7#100-421 Mission Viejo, CA 92691	PC	Ambassadors of Compassion program for Houston area students	30,000
Memorial Park Conservancy Inc 6501 Memorial Dr, Houston, TX 77219	PC	Park maintenance	15,000
Nature Conservancy, Inc. 4245 N Fairfax Dr, #100, Arlington VA 22203	PC	Greater Houston urban conservation programs	25,000
St. Christopher's Episcopal Church Box 314, Bandera, TX 78003	PC	Support of a full-time rector	61,000

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Page 11, Part XV, Line 3a – Grants and Contributions Paid, Continued:

Recipient Name and Address	Recipient Status	Purpose of Grant or Contribution	Amount
Bobwhite Brigade dba Texas Brigades 3660 Thousand Oaks Drive, No 126, San Antonio, TX 78247	PC	Matching grant on donations received	60,000
Young Life (Bandera County TX459) PO Box 1751, Bandera, TX 78003	PC	Operational support and camp scholarships	20,000
			352,000
			11,950,000

Page 11, Part XV, Line 3b – Grants and Contributions Approved for Future Payment:

Recipient Name and Address	Recipient Status	Purpose of Grant or Contribution	Amount
Baylor College of Medicine One Baylor Plaza, Houston, TX 77030	PC	Faculty recruitment in the Department of Medicine	13,960,000
Houston Ballet Foundation 601 Preston St, Houston, TX 77002	PC	Come Dance With Me Capital Campaign	1,274,000
			15,234,000

Form 990-T Exempt Organization Business Income Tax Return
(and proxy tax under section 6033(e))

Department of the Treasury
Internal Revenue Service

For calendar year 2014 or other tax year beginning ____________, 2014, and ending ____________, ________

► Information about Form 990-T and its instructions is available at *www.irs.gov/form990t.*

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

OMB No. 1545-0687

2014

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

A ☐ Check box if address changed

B Exempt under section
☒ 501(c)(3)
☐ 408(e) ☐ 220(e)
☐ 408A ☐ 530(a)
☐ 529(a)

Print or Type

Name of organization (☐ Check box if name changed and see instructions.)
Albert and Margaret Alkek Foundation

Number, street, and room or suite number. If a P.O. box, see instructions.
1100 Louisiana St 5250

City or town, state or province, country, and ZIP or foreign postal code
Houston TX 77002

D Employer identification number (Employees' trust, see instructions.)
76-0491186

E Unrelated business activity codes (See instructions.)
525990

C Book value of all assets at end of year
186,093,999.

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.
► Investment partnerships which generate UBTI.

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 ► Scott B. Seaman Telephone number ► (713) 652-6601

Part I Unrelated Trade or Business Income

		(A) Income	(B) Expenses	(C) Net
1 a Gross receipts or sales . . ______ b Less returns and allowances . . ______ c Balance ►	1 c			
2 Cost of goods sold (Schedule A, line 7)	2			
3 Gross profit. Subtract line 2 from line 1c	3			
4 a Capital gain net income (attach Schedule D)	4 a			
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4 b			
c Capital loss deduction for trusts	4 c			
5 Income (loss) from partnerships and S corporations (attach statement)	5	589,703.		589,703.
6 Rent income (Schedule C)	6			
7 Unrelated debt-financed income (Schedule E)	7			
8 Interest, annuities, royalties, and rents from controlled organizations (Schedule F)	8			
9 Investment income of a section 501(c)(7), (9), or (17) organization (Sch G)	9			
10 Exploited exempt activity income (Schedule I)	10			
11 Advertising income (Schedule J)	11			
12 Other income (See instructions; attach schedule)	12			
13 **Total.** Combine lines 3 through 12	13	589,703.		589,703.

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.)

14 Compensation of officers, directors, and trustees (Schedule K)	14	
15 Salaries and wages	15	
16 Repairs and maintenance	16	
17 Bad debts	17	
18 Interest (attach schedule)	18	
19 Taxes and licenses	19	
20 Charitable contributions (See instructions for limitation rules)	20	1,903.
21 Depreciation (attach Form 4562) . . . 21 ______		
22 Less depreciation claimed on Schedule A and elsewhere on return . . . 22 a ______	22 b	
23 Depletion	23	
24 Contributions to deferred compensation plans	24	
25 Employee benefit programs	25	
26 Excess exempt expenses (Schedule I)	26	
27 Excess readership costs (Schedule J)	27	
28 Other deductions (attach schedule) See Other Deductions Statement	28	70,567.
29 **Total deductions.** Add lines 14 through 28	29	72,470.
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30	517,233.
31 Net operating loss deduction (limited to the amount on line 30)	31	516,233.
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32	1,000.
33 Specific deduction (Generally $1,000, but see line 33 instructions for exceptions)	33	1,000.
34 **Unrelated business taxable income.** Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32	34	0.

Part III Tax Computation

35 **Organizations Taxable as Corporations.** See instructions for tax computation.
Controlled group members (sections 1561 and 1563) check here ► ☐ **See instructions** and:
a Enter your share of the $50,000, $25,000, and $9,925,000 taxable income brackets (in that order):
(1) $ (2) $ (3) $
b Enter organization's share of: (1) Additional 5% tax (not more than $11,750) $
(2) Additional 3% tax (not more than $100,000) $
c Income tax on the amount on line 34 ► 35c 0.

36 **Trusts Taxable at Trust Rates.** See instructions for tax computation. Income tax on the amount on line 34 from: ☐ Tax rate schedule or ☐ Schedule D (Form 1041) ► 36

37 **Proxy tax.** See instructions ► 37

38 Alternative minimum tax 38

39 **Total.** Add lines 37 and 38 to line 35c or 36, whichever applies 39 0.

Part IV Tax and Payments

40a	Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)	40a	
b	Other credits (see instructions)	40b	
c	General business credit. Attach Form 3800 (see instructions)	40c	0.
d	Credit for prior year minimum tax (attach Form 8801 or 8827)	40d	
e	**Total credits.** Add lines 40a through 40d	40e	0.
41	Subtract line 40e from line 39	41	0.
42	Other taxes. Check if from: ☐ Form 4255 ☐ Form 8611 ☐ Form 8697 ☐ Form 8866 ☐ Other (attach schedule)	42	
43	**Total tax.** Add lines 41 and 42	43	0.
44a	Payments: A 2013 overpayment credited to 2014	44a	200,000.
b	2014 estimated tax payments	44b	
c	Tax deposited with Form 8868	44c	
d	Foreign organizations: Tax paid or withheld at source (see instructions)	44d	
e	Backup withholding (see instructions)	44e	
f	Credit for small employer health insurance premiums (Attach Form 8941)	44f	
g	Other credits and payments: ☐ Form 2439 ☐ Form 4136 ☐ Other Total ►	44g	
45	**Total payments.** Add lines 44a through 44g	45	200,000.
46	Estimated tax penalty (see instructions). Check if Form 2220 is attached ► ☐	46	
47	**Tax due.** If line 45 is less than the total of lines 43 and 46, enter amount owed ►	47	
48	**Overpayment.** If line 45 is larger than the total of lines 43 and 46, enter amount overpaid ►	48	200,000.
49	Enter the amount of line 48 you want: **Credited to 2015 estimated tax** ► 200,000. **Refunded** ►	49	

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

		Yes	No
1	At any time during the 2014 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here ►		X
2	During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see instructions for other forms the organization may have to file.		X
3	Enter the amount of tax-exempt interest received or accrued during the tax year ► $		

Schedule A – Cost of Goods Sold. Enter method of inventory valuation ►

1	Inventory at beginning of year	1	
2	Purchases	2	
3	Cost of labor	3	
4a	Additional section 263A costs (attach schedule)	4a	
b	Other costs (attach sch)	4b	
5	**Total.** Add lines 1 through 4b	5	
6	Inventory at end of year	6	
7	**Cost of goods sold.** Subtract line 6 from line 5. Enter here and in Part I, line 2	7	

8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? Yes ☐ No ☐

Sign Here
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.
Signature of officer: [signature] Date: 11-11-15 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: Cynthia G. Matthews Preparer's signature: Cynthia G Matthews Date: 11/11/15 Check ☐ if self-employed PTIN: P00286341
Firm's name ► STEVENS & MATTHEWS LLP Firm's EIN ► 26-3922905
Firm's address ► 1177 WEST LOOP SOUTH SUITE 600 HOUSTON TX 77027 Phone no. (713) 621-1177

Albert and Margaret Alkek Foundation
TIN: 76-0491186
Form 990-T Supporting Schedules
For the Year Ended December 31, 2014

Page 1, Part I, Line 5 – Income from Partnerships:

Interest Income	19,517
Dividend Income	2,306
Other Income	737,998
Realized Gains	233,746
Other Deductions	-336,490
Interest Expense	-3,859
Foreign Tax Expense	-171
Depletion Expense	-63,344
	589,703

IRC Section 751 Statement

The Foundation has reported ordinary income upon the distribution of units in master limited partnerships as provided by the General Partners. The amount was determined in accordance with Internal Revenue Code Section 751. Detailed information is available from the General Partners upon request.

Page 1, Part II, Line 20 – Charitable Contributions:

Exponent Philanthropy (f/k/a Association of Small Foundations)	1,450
Passthrough K-1 Charitable Contributions	453
	1,903

Page 1, Part II, Line 28 – Other Deductions:

Indirect Management and General Expense:	
Allocated Compensation, Taxes, Pension and Insurance	63,006
Allocated Professional Fees – Audit	1,527
Allocated General Expense	4,634
Tax Review of Form 990-T	1,400
	70,567

Page 1, Part II, Line 31 – Net Operating Loss Deduction:

	Beginning Net Operating Loss Carryforward	Net Operating Loss Carryforward	Application of Net Operating Loss Deduction	Ending Net Operating Loss Carryforward
2012	0	319,584	0	319,584
2013	319,584	217,114	0	536,698
2014	536,698	0	516,233	20,465
		536,698	516,233	

Form **3800**

Department of the Treasury
Internal Revenue Service (99)

General Business Credit

▶ Information about Form 3800 and its separate instructions is at *www.irs.gov/form3800.*
▶ You must attach all pages of Form 3800, pages 1, 2, and 3, to your tax return.

OMB No. 1545-0895

2014

Attachment Sequence No. 22

Name(s) shown on return	Identifying number
Albert and Margaret Alkek Foundation	76-0491186

Part I **Current Year Credit for Credits Not Allowed Against Tentative Minimum Tax (TMT)** (See instructions and complete Part(s) III before Parts I and II)

1	General business credit from line 2 of all Parts III with box A checked			1	
2	Passive activity credits from line 2 of all Parts III with box B checked	2	4,866		
3	Enter the applicable passive activity credits allowed for 2014 (see instructions)			3	4,866
4	Carryforward of general business credit to 2014. Enter the amount from line 2 of Part III with box C checked. See instructions for statement to attach			4	0
5	Carryback of general business credit from 2015. Enter the amount from line 2 of Part III with box D checked (see instructions)			5	0
6	Add lines 1, 3, 4, and 5			6	4,866

Part II **Allowable Credit**

7	Regular tax before credits: • Individuals. Enter the sum of the amounts from Form 1040, lines 44 and 46, or the sum of the amounts from Form 1040NR, lines 42 and 44 • Corporations. Enter the amount from Form 1120, Schedule J, Part I, line 2; or the applicable line of your return • Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b; or the amount from the applicable line of your return			7	0
8	Alternative minimum tax: • Individuals. Enter the amount from Form 6251, line 35 • Corporations. Enter the amount from Form 4626, line 14 • Estates and trusts. Enter the amount from Schedule I (Form 1041), line 56			8	0
9	Add lines 7 and 8			9	0
10a	Foreign tax credit	10a	0		
b	Certain allowable credits (see instructions)	10b	0		
c	Add lines 10a and 10b			10c	0
11	**Net income tax.** Subtract line 10c from line 9. If zero, skip lines 12 through 15 and enter -0- on line 16			11	0
12	**Net regular tax.** Subtract line 10c from line 7. If zero or less, enter -0-	12			
13	Enter 25% (.25) of the excess, if any, of line 12 over $25,000 (see instructions)	13			
14	Tentative minimum tax: • Individuals. Enter the amount from Form 6251, line 33 • Corporations. Enter the amount from Form 4626, line 12 • Estates and trusts. Enter the amount from Schedule I (Form 1041), line 54	14	0		
15	Enter the greater of line 13 or line 14			15	
16	Subtract line 15 from line 11. If zero or less, enter -0-			16	0
17	Enter the **smaller** of line 6 or line 16 **C corporations:** See the line 17 instructions if there has been an ownership change, acquisition, or reorganization.			17	0

Part II **Allowable Credit** *(Continued)*

Note. If you are not required to report any amounts on lines 22 or 24 below, skip lines 18 through 25 and enter -0- on line 26.

18	Multiply line 14 by 75% (.75) (see instructions)			18	
19	Enter the greater of line 13 or line 18			19	
20	Subtract line 19 from line 11. If zero or less, enter -0-			20	
21	Subtract line 17 from line 20. If zero or less, enter -0-			21	
22	Combine the amounts from line 3 of all Parts III with box A, C, or D checked			22	
23	Passive activity credit from line 3 of all Parts III with box B checked	23			
24	Enter the applicable passive activity credit allowed for 2014 (see instructions)			24	
25	Add lines 22 and 24			25	
26	Empowerment zone and renewal community employment credit allowed. Enter the smaller of line 21 or line 25			26	0
27	Subtract line 13 from line 11. If zero or less, enter -0-			27	0
28	Add lines 17 and 26			28	0
29	Subtract line 28 from line 27. If zero or less, enter -0-			29	0
30	Enter the general business credit from line 5 of all Parts III with box A checked			30	0
31	Reserved			31	
32	Passive activity credits from line 5 of all Parts III with box B checked	32	153		
33	Enter the applicable passive activity credits allowed for 2014 (see instructions)			33	0
34	Carryforward of business credit to 2014. Enter the amount from line 5 of Part III with box C checked and line 6 of Part III with box G checked. See instructions for statement to attach			34	0
35	Carryback of business credit from 2015. Enter the amount from line 5 of Part III with box D checked (see instructions)			35	0
36	Add lines 30, 33, 34, and 35			36	0
37	Enter the **smaller** of line 29 or line 36			37	0
38	**Credit allowed for the current year.** Add lines 28 and 37. Report the amount from line 38 (if smaller than the sum of Part I, line 6, and Part II, lines 25 and 36, see instructions) as indicated below or on the applicable line of your return: • Individuals. Form 1040, line 54, or Form 1040NR, line 51 • Corporations. Form 1120, Schedule J, Part I, line 5c • Estates and trusts. Form 1041, Schedule G, line 2b			38	0

Name(s) shown on return: Albert and Margaret Alkek Foundation

Identifying number: 76-0491186

Part III General Business Credits or Eligible Small Business Credits (see instructions)

Complete a separate Part III for each box checked below. (see instructions)

- A ☐ General Business Credit From a Non-Passive Activity
- B ☒ General Business Credit From a Passive Activity
- C ☐ General Business Credit Carryforwards
- D ☐ General Business Credit Carrybacks
- E ☐ Reserved
- F ☐ Reserved
- G ☐ Eligible Small Business Credit Carryforwards
- H ☐ Reserved

I If you are filing more than one Part III with box A or B checked, complete and attach first an additional Part III combining amounts from all Parts III with box A or B checked. Check here if this is the consolidated Part III . . . ▶ ☒

	(a) Description of credit **Note.** On any line where the credit is from more than one source, a separate Part III is needed for each pass-through entity.		(b) If claiming the credit from a pass-through entity, enter the EIN	(c) Enter the appropriate amount
1a	Investment (Form 3468, Part II only) (attach Form 3468)	1a		
b	Reserved	1b		
c	Increasing research activities (Form 6765)	1c		
d	Low-income housing (Form 8586, Part I only)	1d		
e	Disabled access (Form 8826) (see instructions for limitation)	1e		
f	Renewable electricity, refined coal, and Indian coal production (Form 8835)	1f		4,793
g	Indian employment (Form 8845)	1g		
h	Orphan drug (Form 8820)	1h		
i	New markets (Form 8874)	1i		
j	Small employer pension plan startup costs (Form 8881) (see instructions for limitation)	1j		
k	Employer-provided child care facilities and services (Form 8882) (see instructions for limitation)	1k		
l	Biodiesel and renewable diesel fuels (attach Form 8864)	1l		
m	Low sulfur diesel fuel production (Form 8896)	1m		
n	Distilled spirits (Form 8906)	1n		
o	Nonconventional source fuel (Form 8907)	1o		
p	Energy efficient home (Form 8908)	1p		
q	Energy efficient appliance (Form 8909)	1q		
r	Alternative motor vehicle (Form 8910)	1r		
s	Alternative fuel vehicle refueling property (Form 8911)	1s		
t	Reserved	1t		
u	Mine rescue team training (Form 8923)	1u		
v	Agricultural chemicals security (Form 8931) (see instructions for limitation)	1v		
w	Employer differential wage payments (Form 8932)	1w		
x	Carbon dioxide sequestration (Form 8933)	1x		
y	Qualified plug-in electric drive motor vehicle (Form 8936)	1y		
z	Qualified plug-in electric vehicle (carryforward only)	1z		
aa	New hire retention (carryforward only)	1aa		
bb	General credits from an electing large partnership (Schedule K-1 (Form 1065-B))	1bb		73
zz	Other	1zz		
2	Add lines 1a through 1zz and enter here and on the applicable line of Part I	2		4,866
3	Enter the amount from Form 8844 here and on the applicable line of Part II	3		
4a	Investment (Form 3468, Part III) (attach Form 3468)	4a		153
b	Work opportunity (Form 5884)	4b		
c	Biofuel producer (Form 6478)	4c		
d	Low-income housing (Form 8586, Part II)	4d		
e	Renewable electricity, refined coal, and Indian coal production (Form 8835)	4e		
f	Employer social security and Medicare taxes paid on certain employee tips (Form 8846)	4f		
g	Qualified railroad track maintenance (Form 8900)	4g		
h	Small employer health insurance premiums (Form 8941)	4h		
i	Reserved	4i		
j	Reserved	4j		
z	Other	4z		
5	Add lines 4a through 4z and enter here and on the applicable line of Part II	5		153
6	Add lines 2, 3, and 5 and enter here and on the applicable line of Part II	6		5,019

Name(s) shown on return: Albert and Margaret Alkek Foundation

Identifying number: 76-0491186

Part III General Business Credits or Eligible Small Business Credits (see instructions)

Complete a separate Part III for each box checked below. (see instructions)

A ☐ General Business Credit From a Non-Passive Activity
B ☒ General Business Credit From a Passive Activity
C ☐ General Business Credit Carryforwards
D ☐ General Business Credit Carrybacks
E ☐ Reserved
F ☐ Reserved
G ☐ Eligible Small Business Credit Carryforwards
H ☐ Reserved

I If you are filing more than one Part III with box A or B checked, complete and attach first an additional Part III combining amounts from all Parts III with box A or B checked. Check here if this is the consolidated Part III . . . ▶ ☐

	(a) Description of credit **Note.** On any line where the credit is from more than one source, a separate Part III is needed for each pass-through entity.		(b) If claiming the credit from a pass-through entity, enter the EIN	(c) Enter the appropriate amount
1a	Investment (Form 3468, Part II only) (attach Form 3468)	1a		
b	Reserved	1b		
c	Increasing research activities (Form 6765)	1c		
d	Low-income housing (Form 8586, Part I only)	1d		
e	Disabled access (Form 8826) (see instructions for limitation)	1e		
f	Renewable electricity, refined coal, and Indian coal production (Form 8835)	1f	20-3782803	1,822
g	Indian employment (Form 8845)	1g		
h	Orphan drug (Form 8820)	1h		
i	New markets (Form 8874)	1i		
j	Small employer pension plan startup costs (Form 8881) (see instructions for limitation)	1j		
k	Employer-provided child care facilities and services (Form 8882) (see instructions for limitation)	1k		
l	Biodiesel and renewable diesel fuels (attach Form 8864)	1l		
m	Low sulfur diesel fuel production (Form 8896)	1m		
n	Distilled spirits (Form 8906)	1n		
o	Nonconventional source fuel (Form 8907)	1o		
p	Energy efficient home (Form 8908)	1p		
q	Energy efficient appliance (Form 8909)	1q		
r	Alternative motor vehicle (Form 8910)	1r		
s	Alternative fuel vehicle refueling property (Form 8911)	1s		
t	Reserved	1t		
u	Mine rescue team training (Form 8923)	1u		
v	Agricultural chemicals security (Form 8931) (see instructions for limitation)	1v		
w	Employer differential wage payments (Form 8932)	1w		
x	Carbon dioxide sequestration (Form 8933)	1x		
y	Qualified plug-in electric drive motor vehicle (Form 8936)	1y		
z	Qualified plug-in electric vehicle (carryforward only)	1z		
aa	New hire retention (carryforward only)	1aa		
bb	General credits from an electing large partnership (Schedule K-1 (Form 1065-B))	1bb		
zz	Other	1zz		
2	Add lines 1a through 1zz and enter here and on the applicable line of Part I	2		1,822
3	Enter the amount from Form 8844 here and on the applicable line of Part II	3		
4a	Investment (Form 3468, Part III) (attach Form 3468)	4a	20-3782803	16
b	Work opportunity (Form 5884)	4b		
c	Biofuel producer (Form 6478)	4c		
d	Low-income housing (Form 8586, Part II)	4d		
e	Renewable electricity, refined coal, and Indian coal production (Form 8835)	4e		
f	Employer social security and Medicare taxes paid on certain employee tips (Form 8846)	4f		
g	Qualified railroad track maintenance (Form 8900)	4g		
h	Small employer health insurance premiums (Form 8941)	4h		
i	Reserved	4i		
j	Reserved	4j		
z	Other	4z		
5	Add lines 4a through 4z and enter here and on the applicable line of Part II	5		16
6	Add lines 2, 3, and 5 and enter here and on the applicable line of Part II	6		1,838

Name(s) shown on return: Albert and Margaret Alkek Foundation

Identifying number: 76-0491186

Part III General Business Credits or Eligible Small Business Credits (see instructions)

Complete a separate Part III for each box checked below. (see instructions)

- A ☐ General Business Credit From a Non-Passive Activity
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- D ☐ General Business Credit Carrybacks
- E ☐ Reserved
- F ☐ Reserved
- G ☐ Eligible Small Business Credit Carryforwards
- H ☐ Reserved

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	(a) Description of credit **Note.** On any line where the credit is from more than one source, a separate Part III is needed for each pass-through entity.		(b) If claiming the credit from a pass-through entity, enter the EIN	(c) Enter the appropriate amount
1a	Investment (Form 3468, Part II only) (attach Form 3468)	1a		
b	Reserved	1b		
c	Increasing research activities (Form 6765)	1c		
d	Low-income housing (Form 8586, Part I only)	1d		
e	Disabled access (Form 8826) (see instructions for limitation)	1e		
f	Renewable electricity, refined coal, and Indian coal production (Form 8835)	1f		
g	Indian employment (Form 8845)	1g		
h	Orphan drug (Form 8820)	1h		
i	New markets (Form 8874)	1i		
j	Small employer pension plan startup costs (Form 8881) (see instructions for limitation)	1j		
k	Employer-provided child care facilities and services (Form 8882) (see instructions for limitation)	1k		
l	Biodiesel and renewable diesel fuels (attach Form 8864)	1l		
m	Low sulfur diesel fuel production (Form 8896)	1m		
n	Distilled spirits (Form 8906)	1n		
o	Nonconventional source fuel (Form 8907)	1o		
p	Energy efficient home (Form 8908)	1p		
q	Energy efficient appliance (Form 8909)	1q		
r	Alternative motor vehicle (Form 8910)	1r		
s	Alternative fuel vehicle refueling property (Form 8911)	1s		
t	Reserved	1t		
u	Mine rescue team training (Form 8923)	1u		
v	Agricultural chemicals security (Form 8931) (see instructions for limitation)	1v		
w	Employer differential wage payments (Form 8932)	1w		
x	Carbon dioxide sequestration (Form 8933)	1x		
y	Qualified plug-in electric drive motor vehicle (Form 8936)	1y		
z	Qualified plug-in electric vehicle (carryforward only)	1z		
aa	New hire retention (carryforward only)	1aa		
bb	General credits from an electing large partnership (Schedule K-1 (Form 1065-B))	1bb	51-0605779	73
zz	Other	1zz		
2	Add lines 1a through 1zz and enter here and on the applicable line of Part I	2		73
3	Enter the amount from Form 8844 here and on the applicable line of Part II	3		
4a	Investment (Form 3468, Part III) (attach Form 3468)	4a	51-0605779	137
b	Work opportunity (Form 5884)	4b		
c	Biofuel producer (Form 6478)	4c		
d	Low-income housing (Form 8586, Part II)	4d		
e	Renewable electricity, refined coal, and Indian coal production (Form 8835)	4e		
f	Employer social security and Medicare taxes paid on certain employee tips (Form 8846)	4f		
g	Qualified railroad track maintenance (Form 8900)	4g		
h	Small employer health insurance premiums (Form 8941)	4h		
i	Reserved	4i		
j	Reserved	4j		
z	Other	4z		
5	Add lines 4a through 4z and enter here and on the applicable line of Part II	5		137
6	Add lines 2, 3, and 5 and enter here and on the applicable line of Part II	6		210

Name(s) shown on return: Albert and Margaret Alkek Foundation

Identifying number: 76-0491186

Part III General Business Credits or Eligible Small Business Credits (see instructions)

Complete a separate Part III for each box checked below. (see instructions)

A ☐ General Business Credit From a Non-Passive Activity
B ☒ General Business Credit From a Passive Activity
C ☐ General Business Credit Carryforwards
D ☐ General Business Credit Carrybacks
E ☐ Reserved
F ☐ Reserved
G ☐ Eligible Small Business Credit Carryforwards
H ☐ Reserved

I If you are filing more than one Part III with box A or B checked, complete and attach first an additional Part III combining amounts from all Parts III with box A or B checked. Check here if this is the consolidated Part III . . . ▶ ☐

	(a) Description of credit **Note.** On any line where the credit is from more than one source, a separate Part III is needed for each pass-through entity.		(b) If claiming the credit from a pass-through entity, enter the EIN	(c) Enter the appropriate amount
1a	Investment (Form 3468, Part II only) (attach Form 3468)	1a		
b	Reserved	1b		
c	Increasing research activities (Form 6765)	1c		
d	Low-income housing (Form 8586, Part I only)	1d		
e	Disabled access (Form 8826) (see instructions for limitation)	1e		
f	Renewable electricity, refined coal, and Indian coal production (Form 8835)	1f	20-8419824	2,971
g	Indian employment (Form 8845)	1g		
h	Orphan drug (Form 8820)	1h		
i	New markets (Form 8874)	1i		
j	Small employer pension plan startup costs (Form 8881) (see instructions for limitation)	1j		
k	Employer-provided child care facilities and services (Form 8882) (see instructions for limitation)	1k		
l	Biodiesel and renewable diesel fuels (attach Form 8864)	1l		
m	Low sulfur diesel fuel production (Form 8896)	1m		
n	Distilled spirits (Form 8906)	1n		
o	Nonconventional source fuel (Form 8907)	1o		
p	Energy efficient home (Form 8908)	1p		
q	Energy efficient appliance (Form 8909)	1q		
r	Alternative motor vehicle (Form 8910)	1r		
s	Alternative fuel vehicle refueling property (Form 8911)	1s		
t	Reserved	1t		
u	Mine rescue team training (Form 8923)	1u		
v	Agricultural chemicals security (Form 8931) (see instructions for limitation)	1v		
w	Employer differential wage payments (Form 8932)	1w		
x	Carbon dioxide sequestration (Form 8933)	1x		
y	Qualified plug-in electric drive motor vehicle (Form 8936)	1y		
z	Qualified plug-in electric vehicle (carryforward only)	1z		
aa	New hire retention (carryforward only)	1aa		
bb	General credits from an electing large partnership (Schedule K-1 (Form 1065-B))	1bb		
zz	Other	1zz		
2	Add lines 1a through 1zz and enter here and on the applicable line of Part I	2		2,971
3	Enter the amount from Form 8844 here and on the applicable line of Part II	3		
4a	Investment (Form 3468, Part III) (attach Form 3468)	4a		
b	Work opportunity (Form 5884)	4b		
c	Biofuel producer (Form 6478)	4c		
d	Low-income housing (Form 8586, Part II)	4d		
e	Renewable electricity, refined coal, and Indian coal production (Form 8835)	4e		
f	Employer social security and Medicare taxes paid on certain employee tips (Form 8846)	4f		
g	Qualified railroad track maintenance (Form 8900)	4g		
h	Small employer health insurance premiums (Form 8941)	4h		
i	Reserved	4i		
j	Reserved	4j		
z	Other	4z		
5	Add lines 4a through 4z and enter here and on the applicable line of Part II	5		
6	Add lines 2, 3, and 5 and enter here and on the applicable line of Part II	6		2,971

Form **3468**

Department of the Treasury
Internal Revenue Service (99)

Investment Credit

▶ Attach to your tax return.
▶ Information about Form 3468 and its separate instructions is at *www.irs.gov/form3468*.

OMB No. 1545-0155
2014
Attachment Sequence No. 174

Name(s) shown on return	Identifying number
Albert and Margaret Alkek Foundation	76-0491186

Part I **Information Regarding the Election To Treat the Lessee as the Purchaser of Investment Credit Property**

If you are claiming the investment credit as a lessee based on a section 48(d) (as in effect on November 4, 1990) election, provide the following information. If you acquired more than one property as a lessee, attach a statement showing the information below.

1 Name of lessor
2 Address of lessor
3 Description of property
4 Amount for which you were treated as having acquired the property . . . . ▶ $

Part II **Qualifying Advanced Coal Project Credit, Qualifying Gasification Project Credit, and Qualifying Advanced Energy Project Credit**

5	Qualifying advanced coal project credit (see instructions):		
a	Qualified investment in integrated gasification combined cycle property placed in service during the tax year for projects described in section 48A(d)(3)(B)(i) . . . . $ × 20% (.20)	5a	
b	Qualified investment in advanced coal-based generation technology property placed in service during the tax year for projects described in section 48A(d)(3)(B)(ii) . . . . . $ × 15% (.15)	5b	
c	Qualified investment in advanced coal-based generation technology property placed in service during the tax year for projects described in section 48A(d)(3)(B)(iii) . . . . . $ × 30% (.30)	5c	
d	Total. Add lines 5a, 5b, and 5c	5d	
6	Qualifying gasification project credit (see instructions):		
a	Qualified investment in qualified gasification property placed in service during the tax year for which credits were allocated or reallocated after October 3, 2008, and that includes equipment that separates and sequesters at least 75% of the project's carbon dioxide emissions . . . . $ × 30% (.30)	6a	
b	Qualified investment in property other than in **a** above placed in service during the tax year . . . . . . $ × 20% (.20)	6b	
c	Total. Add lines 6a and 6b	6c	
7	Qualifying advanced energy project credit (see instructions): Qualified investment in advanced energy project property placed in service during the tax year . . . . $ × 30% (.30)	7	
8	Reserved	8	
9	Enter the applicable unused investment credit from cooperatives (see instructions)	9	
10	Add lines 5d, 6c, 7, and 9. Report this amount on Form 3800, line 1a	10	

Part III Rehabilitation Credit and Energy Credit

11	Rehabilitation credit (see instructions for requirements that must be met):		
a	Check this box if you are electing under section 47(d)(5) to take your qualified rehabilitation expenditures into account for the tax year in which paid (or, for self-rehabilitated property, when capitalized). See instructions. **Note.** This election applies to the current tax year and to all later tax years. You may not revoke this election without IRS consent . . . . ▶ ☐		
b	Enter the dates on which the 24- or 60-month measuring period begins ______ and ends ______		
c	Enter the adjusted basis of the building as of the beginning date above (or the first day of your holding period, if later) . . . . $ ______		
d	Enter the amount of the qualified rehabilitation expenditures incurred, or treated as incurred, during the period on line 11b above . . . . . $ ______		
	Enter the amount of qualified rehabilitation expenditures and multiply by the percentage shown:		
e	Pre-1936 buildings located in the Gulf Opportunity Zone (only enter amounts paid or incurred before 2012) . . . $ ______ × 13% (.13)	**11e**	
f	Pre-1936 buildings affected by a Midwestern disaster (only enter amounts paid or incurred before 2012) . . . . . $ ______ × 13% (.13)	**11f**	
g	Other pre-1936 buildings . . . . $ ______ × 10% (.10)	**11g**	
h	Certified historic structures located in the Gulf Opportunity Zone (only enter amounts paid or incurred before 2012) . . . . . $ ______ × 26% (.26)	**11h**	
i	Certified historic structures affected by a Midwestern disaster (only enter amounts paid or incurred before 2012) . . . . $ ______ × 26% (.26)	**11i**	
j	Other certified historic structures . . . . $ ______ × 20% (.20)	**11j**	
	For properties identified on lines 11h, 11i, or 11j, complete lines 11k and 11l.		
k	Enter the assigned NPS project number or the pass-through entity's employer identification number (see instructions) . . . . ______		
l	Enter the date that the NPS approved the Request for Certification of Completed Work (see instructions) . . . . ______		
m	Rehabilitation credit from an electing large partnership (Schedule K-1 (Form 1065-B), box 9) . .	**11m**	
12	Energy credit:		
a	Basis of property using geothermal energy or solar energy (acquired before January 1, 2006, and the basis attributable to construction, reconstruction, or erection by the taxpayer before January 1, 2006) placed in service during the tax year (see instructions) $ 128 × 10% (.10)	**12a**	13
b	Basis of property using solar illumination or solar energy placed in service during the tax year that was acquired after December 31, 2005, and the basis attributable to construction, reconstruction, or erection by the taxpayer after December 31, 2005 (see instructions) $ 9 × 30% (.30)	**12b**	3
	Qualified fuel cell property (see instructions):		
c	Basis of property placed in service during the tax year that was acquired after December 31, 2005, and before October 4, 2008, and the basis attributable to construction, reconstruction, or erection by the taxpayer after December 31, 2005, and before October 4, 2008 $ ______ × 30% (.30)	**12c**	
d	Applicable kilowatt capacity of property on line 12c (see instructions) ▶ ______ × $1,000	**12d**	
e	Enter the lesser of line 12c or line 12d	**12e**	
f	Basis of property placed in service during the tax year that was acquired after October 3, 2008, and the basis attributable to construction, reconstruction, or erection by the taxpayer after October 3, 2008 . . . . $ ______ × 30% (.30)	**12f**	
g	Applicable kilowatt capacity of property on line 12f (see instructions) ▶ ______ × $3,000	**12g**	
h	Enter the lesser of line 12f or line 12g	**12h**	
	Qualified microturbine property (see instructions):		
i	Basis of property placed in service during the tax year that was acquired after December 31, 2005, and the basis attributable to construction, reconstruction, or erection by the taxpayer after December 31, 2005 . . . . $ 1369 × 10% (.10)	**12i**	137
j	Kilowatt capacity of property on line 12i . . . . ▶ ______ × $200	**12j**	
k	Enter the lesser of line 12i or line 12j	**12k**	137

Part III Rehabilitation Credit and Energy Credit (continued)

	Combined heat and power system property (see instructions): **Caution.** You cannot claim this credit if the electrical capacity of the property is more than 50 megawatts or 67,000 horsepower.		
l	Basis of property placed in service during the tax year that was acquired after October 3, 2008, and the basis attributable to construction, reconstruction, or erection by the taxpayer after October 3, 2008 . . . $______ × 10% (.10)	12l	
m	If the electrical capacity of the property is measured in: • Megawatts, divide 15 by the megawatt capacity. Enter 1.0 if the capacity is 15 megawatts or less. • Horsepower, divide 20,000 by the horsepower. Enter 1.0 if the capacity is 20,000 horsepower or less . . .	12m	.
n	Multiply line 12l by line 12m . . .	12n	
	Qualified small wind energy property (see instructions):		
o	Basis of property placed in service during the tax year that was acquired after October 3, 2008, and before January 1, 2009, and the basis attributable to the construction, reconstruction, or erection by the taxpayer after October 3, 2008, and before January 1, 2009 . . . $______ × 30% (.30)	12o	
p	Enter the smaller of line 12o or $4,000 . . .	12p	
q	Basis of property placed in service during the tax year that was acquired after December 31, 2008, and the basis attributable to construction, reconstruction, or erection by the taxpayer after December 31, 2008 . . . $______ × 30% (.30)	12q	
	Geothermal heat pump systems (see instructions):		
r	Basis of property placed in service during the tax year that was acquired after October 3, 2008, and the basis attributable to construction, reconstruction, or erection by the taxpayer after October 3, 2008 . . . $______ × 10% (.10)	12r	
	Qualified investment credit facility property (see instructions):		
s	Basis of property placed in service during the tax year . . . $______ × 30% (.30)	12s	
13	Enter the applicable unused investment credit from cooperatives (see instructions) . . .	13	
14	Add lines 11e through 11j, 11m, 12a, 12b, 12e, 12h, 12k, 12n, 12p, 12q, 12r, 12s, and 13. Report this amount on Form 3800, line 4a . . .	14	153