

Form
990-PF
Department of the Treasury
Internal Revenue Service

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

▶ Do not enter social security numbers on this form as it may be made public.
▶ Go to www.irs.gov/Form990PF for instructions and the latest information.

OMB No. 1545-0052
2019
Open to Public Inspection

For calendar year 2019, or tax year beginning 09-01-2019, and ending 08-31-2020

Name of foundation ED RACHAL FOUNDATION		A Employer identification number 74-1116595
Number and street (or P.O. box number if mail is not delivered to street address) 555 N CARANCAHUA ST SUITE 700	Room/suite	B Telephone number (see instructions) (361) 881-9040
City or town, state or province, country, and ZIP or foreign postal code CORPUS CHRISTI, TX 784010899		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) ▶ \$ <u>503,109,231</u>	J Accounting method: <input type="checkbox"/> Cash <input type="checkbox"/> Accrual <input checked="" type="checkbox"/> Other (specify) <u>TAX BASIS ACCR.</u> <i>(Part I, column (d) must be on cash basis.)</i>	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses <i>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)</i>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received (attach schedule)	4,503			
2	Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
3	Interest on savings and temporary cash investments	30,150			
4	Dividends and interest from securities	6,718,097	6,718,097		
5a	Gross rents	12,025,201	12,025,201		
b	Net rental income or (loss)	7,138,962			
6a	Net gain or (loss) from sale of assets not on line 10	258,154			
b	Gross sales price for all assets on line 6a	20,202,776			
7	Capital gain net income (from Part IV, line 2)		258,154		
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)	28,891,839	28,891,839		
12	Total. Add lines 1 through 11	47,927,944	47,893,291		
13	Compensation of officers, directors, trustees, etc.	1,282,797	784,475		498,322
14	Other employee salaries and wages	909,924	534,819		375,105
15	Pension plans, employee benefits	384,779	232,586		152,193
16a	Legal fees (attach schedule)	253,363	220,303		33,060
b	Accounting fees (attach schedule)	42,055	21,027		21,028
c	Other professional fees (attach schedule)	880,668	549,798		330,870
17	Interest				
18	Taxes (attach schedule) (see instructions)	4,720,497	4,516,202		204,295
19	Depreciation (attach schedule) and depletion	1,916,359	1,916,359		
20	Occupancy	294,465	114,397		180,068
21	Travel, conferences, and meetings	63,393	52,317		11,076
22	Printing and publications	14,915	7,457		7,458
23	Other expenses (attach schedule)	7,012,764	6,030,649		982,115
24	Total operating and administrative expenses. Add lines 13 through 23	17,775,979	14,980,389		2,795,590
25	Contributions, gifts, grants paid	17,823,048			17,823,048
26	Total expenses and disbursements. Add lines 24 and 25	35,599,027	14,980,389		20,618,638
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	12,328,917			
b	Net investment income (if negative, enter -0-)		32,912,902		
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	937,029	1,290,606	1,290,606
	2 Savings and temporary cash investments	47,533,121	32,945,404	32,945,404
	3 Accounts receivable ▶ <u>9,718,423</u>			
	Less: allowance for doubtful accounts ▶ _____	14,631,710	9,718,423	9,718,423
	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 schedule) ▶ _____			
	Less: allowance for doubtful accounts ▶ _____			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	609,271	391,979	391,979
	10a Investments—U.S. and state government obligations (attach schedule)	17,109,084	41,993,834	41,993,834
	b Investments—corporate stock (attach schedule)	174,077	2,477,507	2,477,507
	c Investments—corporate bonds (attach schedule)	8,362,794	2,564,064	2,564,064
	11 Investments—land, buildings, and equipment: basis ▶ <u>169,977,963</u>			
Less: accumulated depreciation (attach schedule) ▶ _____ 6,146,030	205,603,919	163,831,933	163,831,932	
12 Investments—mortgage loans				
13 Investments—other (attach schedule)	219,265,992	204,907,436	204,907,436	
14 Land, buildings, and equipment: basis ▶ <u>42,866,555</u>				
Less: accumulated depreciation (attach schedule) ▶ _____	34,617,266	42,866,555	42,866,555	
15 Other assets (describe ▶ _____)	242,430	121,491	121,491	
16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	549,086,693	503,109,232	503,109,231	
Liabilities	17 Accounts payable and accrued expenses	21,718,196	4,742,826	
	18 Grants payable			
	19 Deferred revenue		292,854	
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶ _____)		2,143,666	
	23 Total liabilities (add lines 17 through 22)	21,718,196	7,179,346	
Net Assets or Fund Balances	Foundations that follow FASB ASC 958, check here ▶ <input checked="" type="checkbox"/> and complete lines 24, 25, 29 and 30.			
	24 Net assets without donor restrictions	527,368,497	495,929,886	
	25 Net assets with donor restrictions			
	Foundations that do not follow FASB ASC 958, check here ▶ <input type="checkbox"/> and complete lines 26 through 30.			
	26 Capital stock, trust principal, or current funds			
	27 Paid-in or capital surplus, or land, bldg., and equipment fund			
	28 Retained earnings, accumulated income, endowment, or other funds			
29 Total net assets or fund balances (see instructions)	527,368,497	495,929,886		
30 Total liabilities and net assets/fund balances (see instructions)	549,086,693	503,109,232		

Part III Analysis of Changes in Net Assets or Fund Balances		
1 Total net assets or fund balances at beginning of year—Part II, column (a), line 29 (must agree with end-of-year figure reported on prior year's return)	1	527,368,497
2 Enter amount from Part I, line 27a	2	12,328,917
3 Other increases not included in line 2 (itemize) ▶ _____	3	4,483,250
4 Add lines 1, 2, and 3	4	544,180,664
5 Decreases not included in line 2 (itemize) ▶ _____	5	48,250,778
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 29	6	495,929,886

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.)
1 a VARIOUS STOCK SALES	P	2019-01-01	2020-08-31
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 20,202,776		19,944,622	258,154
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col.(h))
(j) F.M.V. as of 12/31/69	(k) Adjusted basis as of 12/31/69	(l) Excess of col. (i) over col. (j), if any	
a			258,154
b			
c			
d			
e			

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	258,154
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 instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2018	20,358,147	393,067,161	0.051793
2017	23,070,523	408,030,865	0.056541
2016	22,155,399	393,010,690	0.056374
2015	24,410,896	382,145,085	0.063879
2014	14,861,856	393,371,193	0.037781

2 Total of line 1, column (d)	2	0.266368
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5.0, or by the number of years the foundation has been in existence if less than 5 years	3	0.053274
4 Enter the net value of noncharitable-use assets for 2019 from Part X, line 5	4	347,588,867
5 Multiply line 4 by line 3	5	18,517,449
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	329,129
7 Add lines 5 and 6	7	18,846,578
8 Enter qualifying distributions from Part XII, line 4	8	20,618,638

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	329,129
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	
3	Add lines 1 and 2.	3	329,129
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	329,129
6	Credits/Payments:		
a	2019 estimated tax payments and 2018 overpayment credited to 2019	6a	1,103,200
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	1,103,200
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> 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	774,071
11	Enter the amount of line 10 to be: Credited to 2020 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		No
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes? (see Instructions for definition). <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		No
c Did the foundation file Form 1120-POL for this year?		No
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input type="checkbox"/> \$ _____ (2) On foundation managers. <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		No
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? <i>If "Yes," attach a conformed copy of the changes</i>		No
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		No
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		No
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?	Yes	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV.</i>	Yes	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> TX _____		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation .</i>		No
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2019 or the taxable year beginning in 2019? See the instructions for Part XIV. <i>If "Yes," complete Part XIV</i>		No
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses.</i>		No

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	Yes	
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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address WWW.EDRACHAL.ORG	13	Yes	
14	The books are in care of PAUL D ALTHEIDE Telephone no. (361) 881-9040			
	Located at 555 N CARANCAHUA ST SUITE 700 CORPUS CHRISTI TX ZIP+4 78401			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year 15			
16	At any time during calendar year 2019, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes", enter the name of the foreign country	16	Yes	No

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 checked="" type="checkbox"/> Yes <input 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? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance? See instructions. Organizations relying on a current notice regarding disaster assistance check here. <input type="checkbox"/>	1b	No
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2019? <input type="checkbox"/>	1c	
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2019, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2019? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years 20 ____, 20 ____, 20 ____, 20 ____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions.)	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2019 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (<i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2019.</i>)	3b	No
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2019?	4b	No

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 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 Yes No
 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).

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? Yes No
 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? Yes No

8 Is the foundation subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment during the year? Yes No

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
DAVID L HOYER 555 N CARANCAHUA ST SUITE 700 CORPUS CHRISTI, TX 78401	BOARD CHAIRM 5.00	72,400	0	0
KEN W TRAWICK 555 N CARANCAHUA ST SUITE 700 CORPUS CHRISTI, TX 78401	VICE BOARD C 5.00	74,486	0	0
E RICHARD SCHENDEL 555 N CARANCAHUA ST SUITE 700 CORPUS CHRISTI, TX 78401	DIRECTOR 5.00	59,600	0	0
JOHN J JOHNSON 555 N CARANCAHUA ST SUITE 700 CORPUS CHRISTI, TX 78401	SEC /TREASUR 5.00	72,400	0	0
KEN L KELLAR 555 N CARANCAHUA ST SUITE 700 CORPUS CHRISTI, TX 78401	DIRECTOR 000.00	0	0	0
PAUL D ALTHEIDE 555 N CARANCAHUA ST SUITE 700 CORPUS CHRISTI, TX 78401	PRESIDENT/CE 40.00	504,969	14,059	0
MYRA K MORRIS 555 N CARANCAHUA ST SUITE 700 CORPUS CHRISTI, TX 78401	CHIEF LEGAL 40.00	305,769	18,123	0
JOHN P JORDAN 555 N CARANCAHUA ST STE 700 CORPUS CHRISTI, TX 78401	VICE PRESIDE 40.00	193,173	1,083	0

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

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
MICHAEL HILL 555 N CARANCAHUA ST 700 CORPUS CHRISTI, TX 78418	COMPTRROLLER 40.00	158,559	28,918	
TAYLOR HUNT 555 N CARANCAHUA ST SUITE 700 CORPUS CHRISTI, TX 78401	SR. PROJECT 40.00	130,689	28,846	
DAVE TUPAJ 555 N CARANCAHUA ST SUITE 700 CORPUS CHRISTI, TX 78401	PROPERTY MAN 40.00	102,280	28,696	
BETTIE BILLINGS 555 N CARANCAHUA ST SUITE 700 CORPUS CHRISTI, TX 78401	ASST. COMPTR 40.00	86,894	26,141	
ADELINE DENVIR 555 N CARANCAHUA ST SUITE 700 CORPUS CHRISTI, TX 78401	GRANT ADMINI 40.00	73,731	19,933	

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

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
PRO-EQUITY 802 CARANCAHUA ST CORPUS CHRISTI, TX 78401	PROPERTY MANAGE	269,214
EDI ARCHITECTURE POB 331300 CORPUS CHRISTI, TX 784631300	ARCHITECT	194,029
TURNER RAMIREZ ARCHITECTS 3751 S ALAMEDA CORPUS CHRISTI, TX 78411	CONSULTANT	192,937
ENCOMPASS LITIGATION SERVICES 155 N SHORELINE CORPUS CHRISTI, TX 78401	CONSULTANT	130,000
LLOYD ENGINEERING POB 540516 HOUSTON, TX 77254	ENGINEERING	105,350
Total number of others receiving over \$50,000 for professional services. ▶		8

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 N/A		
2 _____ _____		
All other program-related investments. See instructions.		
3 _____ _____		
Total. Add lines 1 through 3 ▶		

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities.	1a	41,567,661
b	Average of monthly cash balances.	1b	38,399,403
c	Fair market value of all other assets (see instructions).	1c	272,915,034
d	Total (add lines 1a, b, and c).	1d	352,882,098
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation).	1e	
2	Acquisition indebtedness applicable to line 1 assets.	2	
3	Subtract line 2 from line 1d.	3	352,882,098
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	5,293,231
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	347,588,867
6	Minimum investment return. Enter 5% of line 5.	6	17,379,443

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	17,379,443
2a	Tax on investment income for 2019 from Part VI, line 5.	2a	329,129
b	Income tax for 2019. (This does not include the tax from Part VI.).	2b	
c	Add lines 2a and 2b.	2c	329,129
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	17,050,314
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	17,050,314
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	17,050,314

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	20,618,638
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	
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	20,618,638
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	329,129
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	20,289,509

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2018	(c) 2018	(d) 2019
1 Distributable amount for 2019 from Part XI, line 7				17,050,314
2 Undistributed income, if any, as of the end of 2019:				
a Enter amount for 2018 only.				
b Total for prior years: 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2019:				
a From 2014.				
b From 2015.	6,335,972			
c From 2016.	3,967,490			
d From 2017.	3,795,552			
e From 2018.	1,807,835			
f Total of lines 3a through e.	15,906,849			
4 Qualifying distributions for 2019 from Part XII, line 4: ▶ \$ _____ 20,618,638				
a Applied to 2018, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see instructions).				
c Treated as distributions out of corpus (Election required—see instructions).				
d Applied to 2019 distributable amount.				17,050,314
e Remaining amount distributed out of corpus	3,568,324			
5 Excess distributions carryover applied to 2019. <i>(If an amount appears in column (d), the same amount must be shown in column (a).)</i>				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	19,475,173			
b Prior years' undistributed income. Subtract line 4b from line 2b.				
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.				
e Undistributed income for 2018. Subtract line 4a from line 2a. Taxable amount—see instructions.				
f Undistributed income for 2019. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2020.				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions).				
8 Excess distributions carryover from 2014 not applied on line 5 or line 7 (see instructions).				
9 Excess distributions carryover to 2020. Subtract lines 7 and 8 from line 6a.	19,475,173			
10 Analysis of line 9:				
a Excess from 2015.	6,335,972			
b Excess from 2016.	3,967,490			
c Excess from 2017.	3,795,552			
d Excess from 2018.	1,807,835			
e Excess from 2019.	3,568,324			

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 2019, enter the date of the ruling. ▶

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

	Tax year	Prior 3 years			(e) Total
	(a) 2019	(b) 2018	(c) 2017	(d) 2016	
2a 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).)

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.

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. to individuals or organizations under other conditions, complete items 2a, b, c, and d. See instructions

a The name, address, and telephone number or e-mail address of the person to whom applications should be addressed:
 PAUL D ALTHEIDE
 555 N CARANCAHUA SUITE 700
 CORPUS CHRISTI, TX 78401
 (361) 881-9040

b The form in which applications should be submitted and information and materials they should include:
 SEE FOUNDATION'S WEBSITE, WWW.EDRACHAL.ORG, FOR GUIDELINES AND APPLICATION.

c Any submission deadlines:
 NO SUBMISSION DEADLINES.

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:
 LIMITED GEOGRAPHICALLY TO THE STATE OF TEXAS.

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i> SEE STATEMENT 21 555 N CARANCAHUA STE 700 CORPUS CHRISTI, TX 78401			CHARITABLE	17,823,048
Total			▶ 3a	17,823,048
b <i>Approved for future payment</i>				
Total			▶ 3b	

Name: ED RACHAL FOUNDATION

EIN: 74-1116595

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	42,055	21,027		21,028

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

Name: ED RACHAL FOUNDATION

EIN: 74-1116595

Description of Property	Date Acquired	Cost or Other Basis	Prior Years' Depreciation	Computation Method	Rate / Life (# of years)	Current Year's Depreciation Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included
DEPRECIATION			2,289,530	STRAIGHT LINE		1,916,359	1,916,359		
AMORTIZATION			144,342	AMORTIZATION					

Name: ED RACHAL FOUNDATION**EIN:** 74-1116595

Name of Bond	End of Year Book Value	End of Year Fair Market Value
CORPORATE BONDS - SEE STATEMENT 22	2,564,064	2,564,064
SANCHEZ ENERGY CORP 6.125		
HONEYWELL INTL INC 1.650%		
ARIZONA PUB SVC CO 2.200%		
UNION PACIFIC CORP 1.800%		
PHILLIP MORRIS INTL INC 2.000%		
TEXAS INSTRUMENTS INC 1.750%		
UNITED TECH CORP 1.900%		
AT&T INC 2.450%		
COCA COLA 1.875%		
KENTUCKY UTILS CO 3.250%		
UNION PAC CORP 4%		
UNITED PARCEL SERVICE		
JOHNSON & JOHNSON		
PEPSICO INC 2.750%		
PRAXAIR INC 2.20%		
NORTHERN STAR 2.6%		

Name: ED RACHAL FOUNDATION

EIN: 74-1116595

Name of Stock	End of Year Book Value	End of Year Fair Market Value
CORPORATE STOCK - SEE STATEMENT 21	2,427,910	2,427,910
WHITE POINT DEVELOPMENT		
TRULITE		
SMART FURNITURE HOLDING LLC	49,597	49,597

Name: ED RACHAL FOUNDATION

EIN: 74-1116595

Category/ Item	Cost/Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
LAND	66,258,155		66,258,155	66,258,155
LAND IMPROVEMENTS	3,178,692	594,103	2,584,589	2,584,589
BLDGS & LEASEHOLD IMPROVEMENTS	44,560,803	4,649,964	39,910,839	39,910,838
FURNITURE & EQUIPMENT	431,154	220,598	210,556	210,556
EQUIPMENT & TOOLS	475,968	56,580	419,388	419,388
SOFTWARE	19,936	10,155	9,781	9,781
LEASEHOLD COSTS	455,000	56,362	398,638	398,638
MOBILE HOME COMPLEX	47,670	10,001	37,669	37,669
LEASE ACQUISITION COSTS	2,257,321	548,267	1,709,054	1,709,054
MINERAL INTERESTS	52,293,264		52,293,264	52,293,264

Name: ED RACHAL FOUNDATION

EIN: 74-1116595

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
CITY OF CORPUS CHRISTI BONDS	FMV	1,855,000	1,855,000
LOAN COMMITMENTS	FMV	1,992,851	1,992,851
NOTES RECEIVABLE	FMV	201,059,585	201,059,585
STANDARD RENEWABLE ENERGY	FMV		

Name: ED RACHAL FOUNDATION**EIN:** 74-1116595

Category / Item	Cost / Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
BLDGS & LEASEHOLD IMPROVEMENTS	12,618,419		12,618,419	12,618,419
LAND IMPROVEMENTS	280,875		280,875	280,875
MOBILE HOMES	259,409		259,409	259,409
PILATUS	9,067,396		9,067,396	9,067,396
FURNITURE AND OFFICE EQ	3,190		3,190	3,190
EQ AND TOOLS	287,546		287,546	287,546
MINERALS	232,017		232,017	232,017
LAND	20,117,703		20,117,703	20,117,703

Name: ED RACHAL FOUNDATION

EIN: 74-1116595

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXEMPT PURPOSE	253,363	220,303		33,060

Name: ED RACHAL FOUNDATION

EIN: 74-1116595

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
HELD FOR OTHERS	120,524	121,491	121,491
CAPITALIZED COMMISSIONS	121,906		

Name: ED RACHAL FOUNDATION

EIN: 74-1116595

Description	Amount
UNREALIZED LOSS ON MINERAL INTERESTS	48,171,390
UNREALIZED LOSS ON INVESTMENTS	79,388

Name: ED RACHAL FOUNDATION

EIN: 74-1116595

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
RENT INCOME				
802NC RENTAL EXPENSES	2,329,520	2,329,520		
TOWER II RENTAL EXPENSES	2,556,719	2,556,719		
FARM RENTAL INCOME				
INSURANCE				
EXPENSES				
BOARD TRAVEL AND EXPENSE	2,593	1,729		864
CONTRACT LABOR	436,578	236,312		200,266
EXEMPT PURPOSE EXPENSES	579,447			579,447
FUEL & OIL	2,644			2,644
INSURANCE	994,223	958,327		35,896
MACHINE HIRE	41,135	38,914		2,221
OFFICE EXPENSE	2,721			2,721
OFFICE EXPENSE	60,676	30,338		30,338
PILATUS AIRPLANE EXPENSE	24,981	24,646		335
REPAIRS & MAINTENANCE	213,977	130,837		83,140
SEMINARS, DUES & FEES	31,869	11,020		20,849
SUPPLIES	54,696	32,606		22,090
POSTAGE	2,273	969		1,304
OTHER EMPLOYEE EXPENSE	-321,288	-321,288		

Name: ED RACHAL FOUNDATION

EIN: 74-1116595

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
ROYALTIES - GALVAN RANCH	27,793,461	27,793,461	
MISCELLANEOUS INCOME	337,923	337,923	
EASEMENTS & ROW	37,894	37,894	
LAWSUIT SETTLEMENT	722,111	722,111	
LEASE BONUS	450	450	

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Name: ED RACHAL FOUNDATION

EIN: 74-1116595

Description	Amount
UNREALIZED GAIN ON FIXED ASSETS	4,483,250

Name: ED RACHAL FOUNDATION
EIN: 74-1116595

Description	Beginning of Year - Book Value	End of Year - Book Value
TENANT DEPOSITS		149,161
UNFUNDED LOAN COMMITMENTS		1,992,851
ESCROW ACCT		1,654

Name: ED RACHAL FOUNDATION**EIN:** 74-1116595

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
CONSULTING	848,252	518,216		330,036
INVESTMENT CHARGES & FEES	31,582	31,582		
INVESTMENT CHARGES & FEES- EXEMP	834			834

Name: ED RACHAL FOUNDATION**EIN:** 74-1116595

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
PENALTY	9,777	9,777		
EXCISE TAXES	1,336,232	1,336,232		
PROPERTY TAXES	3,374,488	3,170,193		204,295