

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

Department of the Treasury  
Internal Revenue Service

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

**2018**

**Open to Public Inspection**

**For calendar year 2018 or tax year beginning , 2018, and ending , 20**

Name of foundation <b>Albert and Margaret Alkek Foundation</b>		<b>A Employer identification number</b> 76-0491186
Number and street (or P.O. box number if mail is not delivered to street address) <b>1100 Louisiana St</b>	Room/suite <b>5250</b>	<b>B Telephone number (see instructions)</b> (713) 652-6601
City or town, state or province, country, and ZIP or foreign postal code <b>Houston TX 77002</b>		<b>C</b> If exemption application is pending, check here <input type="checkbox"/>
<b>G</b> 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		<b>D</b> 1. Foreign organizations, check here . . . . . <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation . . . . . <input type="checkbox"/>
<b>H</b> 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		<b>E</b> If private foundation status was terminated under section 507(b)(1)(A), check here . . . . . <input type="checkbox"/>
<b>I</b> Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ <b>225,570,705.</b>	<b>J</b> Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis.)	<b>F</b> If the foundation is in a 60-month termination under section 507(b)(1)(B), check here . . . . . <input type="checkbox"/>

<b>Part I Analysis of Revenue and Expenses</b> (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>Revenue</b>	<b>1</b> Contributions, gifts, grants, etc., received (attach schedule)	1,563,036.			
	<b>2</b> Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	<b>3</b> Interest on savings and temporary cash investments	115,304.	115,304.		
	<b>4</b> Dividends and interest from securities . . . . .	1,177,129.	1,177,129.		
	<b>5a</b> Gross rents . . . . .				
	<b>b</b> Net rental income or (loss)				
	<b>6a</b> Net gain or (loss) from sale of assets not on line 10	10,747,107.			
	<b>b</b> Gross sales price for all assets on line 6a <b>51,302,651.</b>		L-6a Stmt		
	<b>7</b> Capital gain net income (from Part IV, line 2) . . . . .		10,511,877.		
	<b>8</b> Net short-term capital gain . . . . .				
	<b>9</b> Income modifications . . . . .				
	<b>10a</b> Gross sales less returns and allowances				
<b>b</b> Less: Cost of goods sold . . . . .					
<b>c</b> Gross profit or (loss) (attach schedule) . . . . .					
<b>11</b> Other income (attach schedule) See Stmt . . . . .	5,632,686.	2,192,950.			
<b>12 Total.</b> Add lines 1 through 11 . . . . .	19,235,262.	13,997,260.			
<b>Operating and Administrative Expenses</b>	<b>13</b> Compensation of officers, directors, trustees, etc.	717,997.	435,041.		231,917.
	<b>14</b> Other employee salaries and wages . . . . .	17,550.	785.		16,673.
	<b>15</b> Pension plans, employee benefits . . . . .	43,137.	29,238.		10,470.
	<b>16a</b> Legal fees (attach schedule) . . . . .				
	<b>b</b> Accounting fees (attach schedule) . . . . .	32,325.	15,597.		8,069.
	<b>c</b> Other professional fees (attach schedule) . . . . .	605,640.	604,632.		
	<b>17</b> Interest . . . . .	12,966.	12,966.		
	<b>18</b> Taxes (attach schedule) (see instructions) See Stmt.	320,000.			
	<b>19</b> Depreciation (attach schedule) and depletion . . . . .				
	<b>20</b> Occupancy . . . . .	1,644.	608.		965.
	<b>21</b> Travel, conferences, and meetings . . . . .	1,113.	850.		92.
	<b>22</b> Printing and publications . . . . .	1,267.	771.		405.
	<b>23</b> Other expenses (attach schedule) See Stmt . . . . .	4,727,309.	957,159.		3,991.
	<b>24 Total operating and administrative expenses.</b> Add lines 13 through 23 . . . . .	6,480,948.	2,057,647.		272,582.
	<b>25</b> Contributions, gifts, grants paid . . . . .	11,550,000.			11,550,000.
<b>26 Total expenses and disbursements.</b> Add lines 24 and 25	18,030,948.	2,057,647.		11,822,582.	
<b>27</b> Subtract line 26 from line 12:					
<b>a Excess of revenue over expenses and disbursements</b>	1,204,314.				
<b>b Net investment income</b> (if negative, enter -0-)		11,939,613.			
<b>c Adjusted net income</b> (if negative, enter -0-)					

<b>Part II Balance Sheets</b> 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
<b>Assets</b>	<b>1</b> Cash—non-interest-bearing . . . . .	306.	306.	306.
	<b>2</b> Savings and temporary cash investments . . . . .	3,549,995.	15,737,295.	15,743,300.
	<b>3</b> Accounts receivable ▶ 1,655,298.			
	Less: allowance for doubtful accounts ▶ 0.	736,858.	1,655,298.	1,655,298.
	<b>4</b> Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	<b>5</b> Grants receivable . . . . .			
	<b>6</b> Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions) . . . . .			
	<b>7</b> Other notes and loans receivable (attach schedule) ▶			
	Less: allowance for doubtful accounts ▶			
	<b>8</b> Inventories for sale or use . . . . .			
	<b>9</b> Prepaid expenses and deferred charges . . . . .			
	<b>10a</b> Investments—U.S. and state government obligations (attach schedule)			
	<b>b</b> Investments—corporate stock (attach schedule) . . . . .	51,138,189.	57,728,134.	71,016,220.
	<b>c</b> Investments—corporate bonds (attach schedule) . . . . .	525,000.		
	<b>11</b> Investments—land, buildings, and equipment: basis ▶			
Less: accumulated depreciation (attach schedule) ▶				
<b>12</b> Investments—mortgage loans . . . . .				
<b>13</b> Investments—other (attach schedule) . . . . .	117,456,986.	100,947,215.	137,125,324.	
<b>14</b> Land, buildings, and equipment: basis ▶ 287,104.				
Less: accumulated depreciation (attach schedule) ▶ 287,104.	0.	0.	30,100.	
<b>15</b> Other assets (describe ▶ )	0.	0.	157.	
<b>16 Total assets</b> (to be completed by all filers—see the instructions. Also, see page 1, item I) . . . . .	173,407,334.	176,068,248.	225,570,705.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .			
	<b>18</b> Grants payable . . . . .			
	<b>19</b> Deferred revenue . . . . .			
	<b>20</b> Loans from officers, directors, trustees, and other disqualified persons			
	<b>21</b> Mortgages and other notes payable (attach schedule) . . . . .			
	<b>22</b> Other liabilities (describe ▶ )			
	<b>23 Total liabilities</b> (add lines 17 through 22) . . . . .			
<b>Net Assets or Fund Balances</b>	<b>Foundations that follow SFAS 117, check here</b> . . . . . <input checked="" type="checkbox"/>			
	<b>and complete lines 24 through 26, and lines 30 and 31.</b>			
	<b>24</b> Unrestricted . . . . .	173,407,334.	176,068,248.	
	<b>25</b> Temporarily restricted . . . . .			
	<b>26</b> Permanently restricted . . . . .			
	<b>Foundations that do not follow SFAS 117, check here</b> ▶ <input type="checkbox"/>			
	<b>and complete lines 27 through 31.</b>			
	<b>27</b> Capital stock, trust principal, or current funds . . . . .			
<b>28</b> Paid-in or capital surplus, or land, bldg., and equipment fund				
<b>29</b> Retained earnings, accumulated income, endowment, or other funds				
<b>30 Total net assets or fund balances</b> (see instructions) . . . . .	173,407,334.	176,068,248.		
<b>31 Total liabilities and net assets/fund balances</b> (see instructions) . . . . .	173,407,334.	176,068,248.		

<b>Part III Analysis of Changes in Net Assets or Fund Balances</b>			
<b>1</b> 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) . . . . .		<b>1</b>	173,407,334.
<b>2</b> Enter amount from Part I, line 27a . . . . .		<b>2</b>	1,204,314.
<b>3</b> Other increases not included in line 2 (itemize) ▶ <u>Book/tax differences in investments</u>		<b>3</b>	5,023,205.
<b>4</b> Add lines 1, 2, and 3 . . . . .		<b>4</b>	179,634,853.
<b>5</b> Decreases not included in line 2 (itemize) ▶ <u>Book/tax differences in investments</u>		<b>5</b>	3,566,605.
<b>6</b> Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 . . . . .		<b>6</b>	176,068,248.

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

(a) List and describe the kind(s) of property sold (for example, real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
<b>1a</b> See attached schedule		P	Various	Various
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
<b>a</b> 51,067,421.	0.	40,555,544.	10,511,877.	
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69.				(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
<b>a</b> 0.	0.	0.	10,511,877.	
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				
<b>2</b> 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 }		<b>2</b>	10,511,877.
<b>3</b> Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). See instructions. If (loss), enter -0- in Part I, line 8			<b>3</b>	

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?  Yes  No  
 If "Yes," the foundation doesn't qualify under section 4940(e). Do not complete this part.

**1** Enter the appropriate amount in each column for each year; see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2017	11,862,650.	236,042,537.	0.050256
2016	10,684,878.	224,549,081.	0.047584
2015	12,055,287.	237,282,784.	0.050806
2014	12,087,257.	237,855,551.	0.050818
2013	11,254,688.	222,324,491.	0.050623
<b>2</b> Total of line 1, column (d)			<b>2</b> 0.250087
<b>3</b> 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			<b>3</b> 0.050017
<b>4</b> Enter the net value of noncharitable-use assets for 2018 from Part X, line 5			<b>4</b> 239,533,593.
<b>5</b> Multiply line 4 by line 3			<b>5</b> 11,980,752.
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)			<b>6</b> 119,396.
<b>7</b> Add lines 5 and 6			<b>7</b> 12,100,148.
<b>8</b> Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.			<b>8</b> 11,822,582.

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

<b>1a</b>	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)			
<b>b</b>	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	<b>1</b>	238,792.	
<b>c</b>	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations, enter 4% of Part I, line 12, col. (b).			
<b>2</b>	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only; others, enter -0-)	<b>2</b>	0.	
<b>3</b>	Add lines 1 and 2	<b>3</b>	238,792.	
<b>4</b>	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only; others, enter -0-)	<b>4</b>	0.	
<b>5</b>	<b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-	<b>5</b>	238,792.	
<b>6</b>	Credits/Payments:			
<b>a</b>	2018 estimated tax payments and 2017 overpayment credited to 2018	<b>6a</b>	240,943.	
<b>b</b>	Exempt foreign organizations—tax withheld at source	<b>6b</b>	0.	
<b>c</b>	Tax paid with application for extension of time to file (Form 8868)	<b>6c</b>	0.	
<b>d</b>	Backup withholding erroneously withheld	<b>6d</b>	0.	
<b>7</b>	Total credits and payments. Add lines 6a through 6d	<b>7</b>	240,943.	
<b>8</b>	Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	<b>8</b>		
<b>9</b>	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	<b>9</b>		
<b>10</b>	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	<b>10</b>	2,151.	
<b>11</b>	Enter the amount of line 10 to be: <b>Credited to 2019 estimated tax</b> 2,151. <b>Refunded</b>	<b>11</b>		

**Part VII-A Statements Regarding Activities**

	Yes	No
<b>1a</b> During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		<b>x</b>
<b>b</b> Did it spend more than \$100 during the year (either directly or indirectly) for political purposes? See the instructions for the definition If the answer is "Yes" to <b>1a</b> or <b>1b</b> , attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		<b>x</b>
<b>c</b> Did the foundation file <b>Form 1120-POL</b> for this year?		<b>x</b>
<b>d</b> Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: <b>(1)</b> On the foundation. ▶ \$ _____ <b>(2)</b> On foundation managers. ▶ \$ _____		
<b>e</b> Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ _____		
<b>2</b> Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		<b>x</b>
<b>3</b> Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes.		<b>x</b>
<b>4a</b> Did the foundation have unrelated business gross income of \$1,000 or more during the year?	<b>x</b>	
<b>b</b> If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year?	<b>x</b>	
<b>5</b> Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by <i>General Instruction T</i> .		<b>x</b>
<b>6</b> Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	<b>x</b>	
<b>7</b> Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	<b>x</b>	
<b>8a</b> Enter the states to which the foundation reports or with which it is registered. See instructions. ▶ TX		
<b>b</b> If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? If "No," attach explanation	<b>x</b>	
<b>9</b> Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2018 or the tax year beginning in 2018? See the instructions for Part XIV. If "Yes," complete Part XIV		<b>x</b>
<b>10</b> Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		<b>x</b>

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

	Yes	No
<b>11</b> 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 . . . . .		X
<b>12</b> 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 . . . . .		X
<b>13</b> Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ <u>www.alkek.org</u>	X	
<b>14</b> The books are in care of ▶ <u>Scott Seaman</u> Telephone no. ▶ <u>(713) 652-6601</u> Located at ▶ <u>1100 Louisiana, Ste 5250 Houston TX</u> ZIP+4 ▶ <u>77002</u>		
<b>15</b> Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of <b>Form 1041</b> —check here . . . . . ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year . . . . . ▶ <b>15</b>		
<b>16</b> At any time during calendar year 2018, 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? . . . . .		X
See the instructions for exceptions and filing requirements for FinCEN Form 114. 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
<b>1a</b> During the year, did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? . . . <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? . . . <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? ( <b>Exception.</b> Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>b</b> If any answer is "Yes" to 1a(1)–(6), did <b>any</b> of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance? See instructions . . . . .	<b>1b</b>	X
Organizations relying on a current notice regarding disaster assistance, check here . . . . . ▶ <input type="checkbox"/>		
<b>c</b> 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 2018? . . . . .	<b>1c</b>	X
<b>2</b> 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)):		
<b>a</b> At the end of tax year 2018, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2018? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ 20____, 20____, 20____, 20____		
<b>b</b> Are there any years listed in 2a for which the foundation is <b>not</b> applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to <b>all</b> years listed, answer "No" and attach statement—see instructions.) . . . . .	<b>2b</b>	
<b>c</b> If the provisions of section 4942(a)(2) are being applied to <b>any</b> of the years listed in 2a, list the years here. ▶ 20____, 20____, 20____, 20____		
<b>3a</b> 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>b</b> If "Yes," did it have excess business holdings in 2018 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 2018.) . . . . .	<b>3b</b>	X
<b>4a</b> Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	<b>4a</b>	X
<b>b</b> Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2018?	<b>4b</b>	X

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

<b>5a</b>	During the year, did the foundation pay or incur any amount to:		Yes	No
(1)	Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? See instructions	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>b</b>	If any answer is "Yes" to 5a(1)–(5), did <b>any</b> 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		<b>5b</b>	
	Organizations relying on a current notice regarding disaster assistance, check here	<input type="checkbox"/>		
<b>c</b>	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?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
	If "Yes," attach the statement required by Regulations section 53.4945–5(d).			
<b>6a</b>	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>b</b>	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		<b>6b</b>	X
	If "Yes" to 6b, file Form 8870.			
<b>7a</b>	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>b</b>	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?		<b>7b</b>	
<b>8</b>	Is the foundation subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

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

**1 List all officers, directors, trustees, and foundation managers and their compensation. See instructions.**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See 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 ▶ 0

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

<b>3 Five highest-paid independent contractors for professional services. See instructions. If none, enter "NONE."</b>		
(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
Iridian Asset Management LLC 276 Post Road West Westport CT 06880	investment management	183,293.
Eagle Capital Management, LLC 499 Park Avenue New York NY 10022	investment management	145,638.
Polen Capital Management 1825 NW Corporate Blvd., Suite 300 BOCA RATON FL 33431	investment management	111,146.
Wells Capital Management 525 Market Street, 12th Floor San Francisco CA 94105	investment management	85,149.
State Street Corporation 801 Pennsylvania Ave Kansas City MO 64105	custody services	80,414.
<b>Total</b> number of others receiving over \$50,000 for professional services . . . . .		0

**Part IX-A Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.		Expenses
<b>1</b>	.....	
<b>2</b>	.....	
<b>3</b>	.....	
<b>4</b>	.....	

**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
<b>1</b>	.....	
<b>2</b>	.....	
<b>3</b>	All other program-related investments. See instructions.	
<b>Total.</b> Add lines 1 through 3 . . . . .		

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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b>	Average monthly fair market value of securities . . . . .	<b>1a</b>	79,924,990.
<b>b</b>	Average of monthly cash balances . . . . .	<b>1b</b>	13,564,275.
<b>c</b>	Fair market value of all other assets (see instructions) . . . . .	<b>1c</b>	149,692,048.
<b>d</b>	<b>Total</b> (add lines 1a, b, and c) . . . . .	<b>1d</b>	243,181,313.
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) . . . . .	<b>1e</b>	
<b>2</b>	Acquisition indebtedness applicable to line 1 assets . . . . .	<b>2</b>	0.
<b>3</b>	Subtract line 2 from line 1d . . . . .	<b>3</b>	243,181,313.
<b>4</b>	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions) . . . . .	<b>4</b>	3,647,720.
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4 . . . . .	<b>5</b>	239,533,593.
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5 . . . . .	<b>6</b>	11,976,680.

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

<b>1</b>	Minimum investment return from Part X, line 6 . . . . .	<b>1</b>	11,976,680.
<b>2a</b>	Tax on investment income for 2018 from Part VI, line 5 . . . . .	<b>2a</b>	238,792.
<b>b</b>	Income tax for 2018. (This does not include the tax from Part VI.) . . . . .	<b>2b</b>	50,000.
<b>c</b>	Add lines 2a and 2b . . . . .	<b>2c</b>	288,792.
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1 . . . . .	<b>3</b>	11,687,888.
<b>4</b>	Recoveries of amounts treated as qualifying distributions . . . . .	<b>4</b>	
<b>5</b>	Add lines 3 and 4 . . . . .	<b>5</b>	11,687,888.
<b>6</b>	Deduction from distributable amount (see instructions) . . . . .	<b>6</b>	
<b>7</b>	<b>Distributable amount</b> as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1 . . . . .	<b>7</b>	11,687,888.

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

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b>	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26 . . . . .	<b>1a</b>	11,822,582.
<b>b</b>	Program-related investments—total from Part IX-B . . . . .	<b>1b</b>	
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes . . . . .	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b>	Suitability test (prior IRS approval required) . . . . .	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule) . . . . .	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8; and Part XIII, line 4 . . . . .	<b>4</b>	11,822,582.
<b>5</b>	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b. See instructions . . . . .	<b>5</b>	0.
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4 . . . . .	<b>6</b>	11,822,582.

**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 2017	(c) 2017	(d) 2018
<b>1</b> Distributable amount for 2018 from Part XI, line 7 . . . . .				11,687,888.
<b>2</b> Undistributed income, if any, as of the end of 2018:				
<b>a</b> Enter amount for 2017 only . . . . .			2,115,315.	
<b>b</b> Total for prior years: 20____, 20____, 20____				
<b>3</b> Excess distributions carryover, if any, to 2018:				
<b>a</b> From 2013 . . . . .				0.
<b>b</b> From 2014 . . . . .				0.
<b>c</b> From 2015 . . . . .				0.
<b>d</b> From 2016 . . . . .				0.
<b>e</b> From 2017 . . . . .				0.
<b>f</b> <b>Total</b> of lines 3a through e . . . . .	0.			
<b>4</b> Qualifying distributions for 2018 from Part XII, line 4: ▶ \$ <u>11,822,582.</u>				
<b>a</b> Applied to 2017, but not more than line 2a . . . . .			2,115,315.	
<b>b</b> Applied to undistributed income of prior years (Election required—see instructions) . . . . .				
<b>c</b> Treated as distributions out of corpus (Election required—see instructions) . . . . .				
<b>d</b> Applied to 2018 distributable amount . . . . .				9,707,267.
<b>e</b> Remaining amount distributed out of corpus . . . . .	0.			
<b>5</b> Excess distributions carryover applied to 2018 (If an amount appears in column (d), the same amount must be shown in column (a).) . . . . .				
<b>6</b> <b>Enter the net total of each column as indicated below:</b>				
<b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5 . . . . .	0.			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b . . . . .		0.		
<b>c</b> Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed . . . . .				
<b>d</b> Subtract line 6c from line 6b. Taxable amount—see instructions . . . . .		0.		
<b>e</b> Undistributed income for 2017. Subtract line 4a from line 2a. Taxable amount—see instructions . . . . .			0.	
<b>f</b> Undistributed income for 2018. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2019 . . . . .				1,980,621.
<b>7</b> 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) . . . . .				
<b>8</b> Excess distributions carryover from 2013 not applied on line 5 or line 7 (see instructions) . . . . .	0.			
<b>9</b> <b>Excess distributions carryover to 2019.</b> Subtract lines 7 and 8 from line 6a . . . . .	0.			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2014 . . . . .				0.
<b>b</b> Excess from 2015 . . . . .				0.
<b>c</b> Excess from 2016 . . . . .				0.
<b>d</b> Excess from 2017 . . . . .				0.
<b>e</b> Excess from 2018 . . . . .				0.

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

N/A

- 1a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2018, enter the date of the ruling . . . . . ▶
- b** Check box to indicate whether the foundation is a private operating foundation described in section  4942(j)(3) or  4942(j)(5)

	Tax year				(e) Total
	(a) 2018	(b) 2017	(c) 2016	(d) 2015	
<b>2a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed . . . . .					
<b>b</b> 85% of line 2a . . . . .					
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed . . . . .					
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities . . . . .					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c . . . . .					
<b>3</b> Complete 3a, b, or c for the alternative test relied upon:					
<b>a</b> "Assets" alternative test—enter:					
<b>(1)</b> Value of all assets . . . . .					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i) . . . . .					
<b>b</b> "Endowment" alternative test—enter <sup>2</sup> / <sub>3</sub> of minimum investment return shown in Part X, line 6 for each year listed . . . . .					
<b>c</b> "Support" alternative test—enter:					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) . . . . .					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) . . . . .					
<b>(3)</b> Largest amount of support from an exempt organization . . . . .					
<b>(4)</b> Gross investment income . . . . .					

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

- 1 Information Regarding Foundation Managers:**
  - a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)  
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., to individuals or organizations under other conditions, complete items 2a, b, c, and d. See instructions.

  - a** The name, address, and telephone number or email address of the person to whom applications should be addressed:  
See Supplementary Information Statement
  - b** The form in which applications should be submitted and information and materials they should include:
  - c** Any submission deadlines:
  - d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

**Part XV** **Supplementary Information** *(continued)*

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

Recipient	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)				
<p><b>a</b> <i>Paid during the year</i> See attached statement</p>				11,550,000.
<b>Total</b> . . . . . ▶				<b>3a</b> 11,550,000.
<p><b>b</b> <i>Approved for future payment</i> See attached statement</p>				6,045,700.
<b>Total</b> . . . . . ▶				<b>3b</b> 6,045,700.





**Schedule of Contributors**

**2018**

▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF.**  
 ▶ **Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.**

Name of the organization <u>Albert and Margaret Alkek Foundation</u>	<b>Employer identification number</b> 76-0491186
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**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<sup>1</sup>/<sub>3</sub>% 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 (entering “N/A” in column (b) instead of the contributor name and address), 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. Don’t 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 isn’t covered by the General Rule and/or the Special Rules doesn’t 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 doesn’t meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization <b>Albert and Margaret Alkek Foundation</b>	Employer identification number <b>76-0491186</b>
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**Part I** **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(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.	<b>Person</b> <input checked="" type="checkbox"/> <b>Payroll</b> <input type="checkbox"/> <b>Noncash</b> <input type="checkbox"/> (Complete Part II for noncash contributions.)
-----	-----	\$ -----	<b>Person</b> <input type="checkbox"/> <b>Payroll</b> <input type="checkbox"/> <b>Noncash</b> <input type="checkbox"/> (Complete Part II for noncash contributions.)
-----	-----	\$ -----	<b>Person</b> <input type="checkbox"/> <b>Payroll</b> <input type="checkbox"/> <b>Noncash</b> <input type="checkbox"/> (Complete Part II for noncash contributions.)
-----	-----	\$ -----	<b>Person</b> <input type="checkbox"/> <b>Payroll</b> <input type="checkbox"/> <b>Noncash</b> <input type="checkbox"/> (Complete Part II for noncash contributions.)
-----	-----	\$ -----	<b>Person</b> <input type="checkbox"/> <b>Payroll</b> <input type="checkbox"/> <b>Noncash</b> <input type="checkbox"/> (Complete Part II for noncash contributions.)
-----	-----	\$ -----	<b>Person</b> <input type="checkbox"/> <b>Payroll</b> <input type="checkbox"/> <b>Noncash</b> <input type="checkbox"/> (Complete Part II for noncash contributions.)
-----	-----	\$ -----	<b>Person</b> <input type="checkbox"/> <b>Payroll</b> <input type="checkbox"/> <b>Noncash</b> <input type="checkbox"/> (Complete Part II for noncash contributions.)

Albert and Margaret Alkek Foundation  
TIN: 76-0491186  
Form 990-PF Statements  
For the Year Ended December 31, 2018

**Page 1, Part I, Line 6a and Page 3, Part IV, Line 1, Column h – Net Gain or Loss from Sale of Assets,  
Page 1, Part I, Line 6b and Page 3, Part IV, Line 1, Column e – Gross Sales Price for All Assets:**

	Net Gain or Loss From Sale of Assets	Gross Sales Price
Publicly Traded Securities	5,393,581	38,347,600
Capital Gain Dividends	1,279,206	1,279,206
Pass-through Investments: K-1 Capital Gains	3,642,808	3,642,808
Pass-through Investments: K-1 Capital Losses	-1,907,420	0
Non-US Hedge Funds	-479,117	5,214,988
Non-US Gains in Excess of Basis	2,582,819	2,582,819
Total Page 3, Part IV, Columns h and e	10,511,877	51,067,421
Pass-through Investments: K-1 UBTI	235,230	235,230
Total Page 1, Part I, Lines 6a and 6b	10,747,107	51,302,651

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

	(a) Revenue Per Books	(b) Net Investment Income
Pass-through Investments: K-1 Income	2,178,493	2,178,493
Pass-through Investments: Section 965(a) Inclusion	14,307	14,307
Pass-through Investments: K-1 UBTI	3,439,736	0
Oil and Gas Royalty Income	150	150
	5,632,686	2,192,950

**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
<u>16b – Accounting Fees</u>			
Audit Services	21,770	13,251	6,964
Tax Services	10,555	2,346	1,105
	32,325	15,597	8,069
<u>16c – Other Professional Fees</u>			
Investments: Management Fees	525,226	525,226	0
Investments: Custody Fees	80,414	79,406	0
	605,640	604,632	0

**Albert and Margaret Alkek Foundation**  
**TIN: 76-0491186**  
**Form 990-PF Statements**  
**For the Year Ended December 31, 2018**

**Page 1, Part I, Line 18 – Taxes:**

	(a) Expenses Per Books	(b) Net Investment Income
Excise Tax Payments (Form 990-PF)	270,000	0
Income Tax Payment (Form 990-T)	50,000	0
	320,000	0

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

	(a) Expenses Per Books	(b) Net Investment Income	(d) Charitable Purposes
Pass-through Investments:			
K-1 Deductions	950,941	950,941	0
K-1 Deductions – Sec 965(c)	9,377	0	0
K-1 Deductions – UBTI	3,756,018	0	0
General and Administrative	10,973	6,218	3,991
	4,727,309	957,159	3,991

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

	(b) Book Value	(c) Fair Market Value
Liquidation Receivable from Investment Partnerships	1,655,298	1,655,298
	1,655,298	1,655,298

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

	(b) Book Value	(c) Fair Market Value
Directly Held	19,504,968	25,696,909
Managed Accounts	38,223,166	45,319,312
	57,728,134	71,016,221

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

	(b) Book Value	(c) Fair Market Value
Non-Marketable Corporate Equity Securities	3,055,400	863,826
US Partnerships, Corporations and Trusts	48,543,745	63,809,096
Non-US Partnerships and Corporations	49,348,070	72,452,402
	100,947,215	137,125,324

**Albert and Margaret Alkek Foundation**  
**TIN: 76-0491186**  
**Form 990-PF Statements**  
**For the Year Ended December 31, 2018**

**Page 2, Part II, Line 14 – Description of Land, Buildings, and Equipment:**

	<u>Cost Basis</u>	<u>Accumulated Depreciation</u>	<u>(b) Book Value</u>	<u>(c) Fair Market Value</u>
Furniture	265,537	265,537	0	29,000
Equipment	21,567	21,567	0	1,100
	<u>287,104</u>	<u>287,104</u>	<u>0</u>	<u>30,100</u>

**Page 3, Part IV, Line 1 – Capital Gains and Losses for Tax on Investment Income:**

	<u>(a) Description</u>	<u>(b) How Acquired</u>	<u>(c) Date Acquired</u>	<u>(d) Date Sold</u>
a	Publicly Traded Securities	Purchase	Various	Various
b	Capital Gain Dividends	Purchase	Various	Various
c	Pass-through K-1 Capital Gains	Purchase	Various	Various
d	Pass-through K-1 Capital Losses	Purchase	Various	Various
e	Non-US Hedge Funds	Purchase	Various	Various
f	Non-US Gains in Excess of Basis	Purchase	Various	Various

  

	<u>(e) Gross Sales Price</u>	<u>(f) Depreciation</u>	<u>(g) Cost Basis</u>	<u>(h) Gain or (loss)</u>
a	38,347,600		32,954,019	5,393,581
b	1,279,206		0	1,279,206
c	3,642,808		0	3,642,808
d	0		1,907,420	-1,907,420
e	5,214,988		5,694,105	-479,117
f	2,582,819		0	2,582,819
	<u>51,067,421</u>		<u>40,555,544</u>	<u>10,511,877</u>

  

	<u>(i) FMV 12/31/69</u>	<u>(j) Adj Basis 12/31/69</u>	<u>(k) Excess</u>	<u>(l) Gain or (loss)</u>
a				5,393,581
b				1,279,206
c				3,642,808
d				-1,907,420
e				-479,117
f				2,582,819
				<u>10,511,877</u>

**Albert and Margaret Alkek Foundation**  
**TIN: 76-0491186**  
**Form 990-PF Statements**  
**For the Year Ended December 31, 2018**

**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
Sandra Bacak	Assistant Secretary and Controller 40 Hours	122,500	16,599
Joe M. Bailey	Director Periodic board & 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	377,913	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 & committee meetings	18,000	0
		716,413	16,599

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.

**Page 10, Part XV, Line 2 – Information Regarding Grant Programs:**

- a. Name and address: Mr. Charles Williams, President  
Albert and Margaret Alkek Foundation  
1100 Louisiana St., Suite 5250  
Houston, TX 77002  
713-652-6601
- b. Application form: See guidelines at [www.alkek.org](http://www.alkek.org)
- c. Submission deadline: None
- d. Restrictions or limitations: Limited to non-profit organizations in the State of Texas

**Albert and Margaret Alkek Foundation**  
**TIN: 76-0491186**  
**Form 990-PF Statements**  
**For the Year Ended December 31, 2018**

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

<u>Recipient Name and Address</u>	<u>Recipient Status</u>	<u>Purpose of Grant or Contribution</u>	<u>Amount</u>
<u>Medical:</u>			
Baylor College of Medicine One Baylor Plaza, MS: BCM 160 Houston, TX 77030	PC	Department of Medicine	2,208,700
Baylor College of Medicine One Baylor Plaza, MS: BCM 160 Houston, TX 77030	PC	Presidential Endowed Chair	600,000
Baylor College of Medicine One Baylor Plaza, MS: BCM 160 Houston, TX 77030	PC	Center for Precision Environmental Health	1,519,300
Baylor College of Medicine One Baylor Plaza, MS: BCM 160 Houston, TX 77030	PC	Ophthalmology and Otolaryngology Departments	250,000
HCHD Foundation 2525 Holly Hall, Suite 292 Houston, TX 77054	PC	Capital campaign for Ben Taub Hospital	250,000
Heart Gift Foundation P.O. Box 691711 Houston, TX 77269	PC	Operational support	25,000
The Methodist Hospital Foundation P.O. Box 4384 Houston, TX 77210	SO I	Center for Performing Arts Medicine	250,000
Texas A&M Foundation Clinical Building 1, Suite 1100 1359 TAMU, 8441 State Hwy 47 Bryan, TX 77807	GOV	Engineering Medicine Program for Texas A&M Colleges of Medicine and Engineering	150,000
The University of Texas MD Anderson Cancer Center P.O. Box 4486 Houston, TX 77210	GOV	Bone Disease Program	1,000,000
The Will Erwin Headache Research Foundation 609 Main Street, Suite 2350 Houston, TX 77002	PC	Operational support	25,000
			6,278,000

**Albert and Margaret Alkek Foundation**  
**TIN: 76-0491186**  
**Form 990-PF Statements**  
**For the Year Ended December 31, 2018**

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

<u>Recipient Name and Address</u>	<u>Recipient Status</u>	<u>Purpose of Grant or Contribution</u>	<u>Amount</u>
<u>Educational:</u>			
Alliance for Choice in Education dba ACE Scholarships P.O. Box 580268 Houston, TX 77258	PC	Scholarship support	50,000
Episcopal High School P.O. Box 271299 Houston, TX 77277	PC	Alkek Scholars Program – one four year scholarship	123,000
Episcopal High School P.O. Box 271299 Houston, TX 77277	PC	Alkek Scholars Program – two one-year scholarships	58,000
Hill Country Youth Ranch P.O. Box 67 Ingram, TX 78025	PC	Transitional support and college scholarships for alumni	45,000
The Posse Foundation, Inc. 1001 McKinney, Suite 950 Houston, TX 77002	PC	Operational support for college mentorship program	50,000
Pro-Vision Academy 4590 Wilmington Houston, TX 77051	PC	Capital campaign	100,000
Rice University 6100 Main Street, MS 84 Houston, TX 77005	PC	Student support and development programs	124,000
Southwestern University P.O. Box 770 Georgetown, TX 78627-0770	PC	Scholarship program	100,000
St. Edward's University 3001 South Congress Ave Austin, TX 78704	PC	College Assistance Migrant Program Scholarships	25,000
St. Thomas High School 4500 Memorial Drive Houston, TX 77007	PC	Capital campaign	300,000
St Mary's University One Camino Santa Maria San Antonio, TX 78228	PC	Renovate engineering labs in STEM buildings	200,000
Texas A&M University-Kingsville Caesar Kleberg Wildlife Research Institute 700 University Blvd, MSC 218 Kingsville, TX 78363	GOV	Operational support for the Captive Ungulate Facility	25,000

**Albert and Margaret Alkek Foundation**  
**TIN: 76-0491186**  
**Form 990-PF Statements**  
**For the Year Ended December 31, 2018**

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

<u>Recipient Name and Address</u>	<u>Recipient Status</u>	<u>Purpose of Grant or Contribution</u>	<u>Amount</u>
<u>Educational, Continued</u>			
Texas State University-San Marcos 601 University Dr. San Marcos, TX 78666	GOV	Construction of the Learning Commons in the Albert B. Alkek Library	200,000
TMI – The Episcopal School of Texas 20955 W Tejas Trail San Antonio, TX 78257	PC	Alkek Scholarships	154,000
Delta Delta Delta Foundation dba Tri Delta Foundation 14951 N Dallas Pkwy, Suite 500 Dallas, TX 75254	PC	Scholarship endowment	35,500
University of Houston-Victoria 3007 N. Ben Wilson Houston, TX 77901	GOV	Scholarship endowment for first-generation students	35,000
Yellowstone Academy 3000 Trulley Street Houston, TX 77004	PC	Social support programming	50,000
			1,674,500
<u>Community:</u>			
Arthur Nagel Community Clinic P.O. Box 519 Bandera, TX 78003	PC	Operational support	50,000
Austin Center for Grief and Loss 2413 Greenlawn Parkway Austin, TX 78757	PC	Operational support	25,000
Bandera County Young Life P.O. Box 1751 Bandera, TX 78003	PC	Operational support	30,000
Bandera Public Library Corporation P.O. Box 1568 Bandera, TX 78003	PC	Infrastructure replacements and equipment upgrades	25,000
Bandera Public Library Corporation P.O. Box 1568 Bandera, TX 78003	PC	Operational support	2,500
Baylor College of Medicine One Baylor Plaza, MS: BCM 160 Houston, TX 77030	PC	Underwrite expenses for the BCM Wellness 5K Race/Walk	10,000

**Albert and Margaret Alkek Foundation**  
**TIN: 76-0491186**  
**Form 990-PF Statements**  
**For the Year Ended December 31, 2018**

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

<u>Recipient Name and Address</u>	<u>Recipient Status</u>	<u>Purpose of Grant or Contribution</u>	<u>Amount</u>
<u>Community, Continued</u>			
Bo's Place 10050 Buffalo Speedway Houston, TX 77054	PC	Operational support	15,000
Bobwhite Brigade dba Texas Brigades 3660 Thousand Oaks Drive, No 126 San Antonio, TX 78247	PC	Matching grant for operational support contributions	60,000
Boys and Girls Club of Bandera County P.O. Box 3155 Bandera, TX 78003	PC	Operational support	60,000
Hope and Healing Center and Institute 717 Sage Road Houston, TX 77056	PC	Operational support	50,000
Houston Society for the Prevention of Cruelty to Animals 7007 Old Katy Road Houston, TX 77024	PC	Operational support for the wildlife rehabilitation center	30,000
Legacy Community Health Endowment, Inc. 1415 California St. Houston, TX 77006	PC	Capital campaign	30,000
Mental Health America of Greater Houston 2211 Norfolk, Suite 810 Houston, TX 77098	PC	Hurricane Harvey programs	100,000
The Nature Conservancy 200 E. Grayson St., Suite 202 San Antonio, TX 78215	PC	Operational support	100,000
Nehemiah Center, Inc. 5015 Fannin Street Houston, TX 77004	PC	Operational support	25,000
Pathways for Little Feet <a href="#">9 Greenway Plaza, Suite 3150</a> Houston, TX 77046	PC	Operational support	10,000
The Peregrine Fund 5668 West Flying Hawk Lane Boise, ID 83709	PC	Aplomado Falcon restoration program in Texas	35,000
re:Mind P.O. Box 27607 Houston, TX 77227	PC	Operational support	25,000
Rebuilding Together Houston P.O. Box 15315 Houston, TX 77220	PC	Hurricane Harvey Air Quality Intervention Program	420,000

**Albert and Margaret Alkek Foundation**  
**TIN: 76-0491186**  
**Form 990-PF Statements**  
**For the Year Ended December 31, 2018**

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

<u>Recipient Name and Address</u>	<u>Recipient Status</u>	<u>Purpose of Grant or Contribution</u>	<u>Amount</u>
<u>Community, Continued</u>			
The St. Bernard Project, Inc. 2645 Toulouse Street New Orleans, LA 70119	PC	Hurricane Harvey rebuilding initiatives	500,000
Somebody Cares America P.O. Box 925308 Houston, TX 77292-5308	PC	Operational support for Hurricane Harvey programs	50,000
St. Christopher's Episcopal Church Box 314 Bandera, TX 78003	PC	Operational support	35,000
YMCA of Greater Houston P.O. Box 3007 Houston, TX 77253	PC	Rebuild facility destroyed by Hurricane Harvey	35,000
			1,722,500
<u>Cultural:</u>			
Alley Theater 615 Texas Avenue Houston, TX 77002	PC	Rebuild facility damaged by Hurricane Harvey	25,000
Houston Ballet Foundation 601 Preston Houston, TX 77002	PC	Capital campaign - Jubilee of Dance Endowment	1,250,000
Houston Grand Opera 510 Preston Houston, TX 77002	PC	Underwrite Hurricane Harvey benefit concert	350,000
Houston Zoo, Inc. 1513 Cambridge St. Houston, TX 77030	PC	Capital campaign – Texas Wetlands Exhibit	100,000
The John P. McGovern Museum of Health and Medical Science 1515 Hermann Drive Houston, TX 77004	PC	General operations	50,000
River Oaks Chamber Orchestra <a href="#">1973 West Gray, Suite 3</a> Houston, TX 77027	PC	Operational support	75,000
Society of the Performing Arts 615 Louisiana St., Suite 100 Houston, TX 77002	PC	Hurricane Harvey storm loss reimbursement	25,000
			1,875,000
			11,550,000

**Albert and Margaret Alkek Foundation**  
**TIN: 76-0491186**  
**Form 990-PF Statements**  
**For the Year Ended December 31, 2018**

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

<u>Recipient Name and Address</u>	<u>Recipient Status</u>	<u>Purpose of Grant or Contribution</u>	<u>Amount</u>
Baylor College of Medicine One Baylor Plaza, MS: BCM 160 Houston, TX 77030	PC	Center for Precision Environmental Health	2,680,700
Baylor College of Medicine One Baylor Plaza, MS: BCM 160 Houston, TX 77030	PC	Presidential Endowed Chair	1,200,000
Houston Ballet Foundation 601 Preston Street Houston, TX 77002	PC	Capital campaign - Jubilee of Dance Endowment	1,250,000
Mental Health America of Greater Houston 2211 Norfolk, Suite 810 Houston, TX 77098	PC	Hurricane Harvey resilience-focused programming	100,000
Texas A&M Foundation Clinical Building 1, Suite 1100 1359 TAMU, 8441 State Hwy 47 Bryan, TX 77807	GOV	Engineering Medicine Program for Texas A&M Colleges of Medicine and Engineering	150,000
Texas State University-San Marcos 601 University Dr. San Marcos, TX 78666	GOV	Construction of the Learning Commons in the Albert B. Alkek Library	600,000
University of Houston-Victoria 3007 N. Ben Wilson Houston, TX 77901	GOV	Scholarship endowment for first-generation students	65,000
			6,045,700

## Inclusion of Deferred Foreign Income Upon Transition to Participation Exemption System

▶ **Attach to tax return.**

▶ **Go to [www.irs.gov/Form965](http://www.irs.gov/Form965) for instructions and the latest information.**

For calendar year 20 <b>18</b> , or other tax year beginning , 20 , and ending , 20 , of the filer.	
Name of person filing this return <b>Albert and Margaret Alkek Foundation</b>	Identifying number <b>76-0491186</b>

**Note.** Throughout this form, the term “2018 tax year” refers to 2018 calendar tax years and fiscal tax years of the person filing this return that begin in 2018. The term “2017 tax year” refers to 2017 calendar tax years and fiscal tax years of the person filing this return that begin in 2017.

<b>Part I Section 965(a) Inclusion</b>	
<b>1 2018 tax year section 965(a) inclusion amounts from Schedule A.</b> Enter the sum of column (k) of Schedule A . . . . .	<b>1</b>
<b>2 2018 tax year section 965(a) inclusions from pass-throughs.</b> Attach schedule . . . . .	<b>2</b> 14,307
<b>3 Total 2018 tax year section 965(a) inclusion.</b> Add lines 1 and 2. Enter the sum here and on your tax return as follows. Corporations: Enter the line 3 total on Form 1120, Schedule C, line 15, column (a), or the corresponding line of other corporate tax returns. All others: See instructions . . . . . ▶	<b>3</b> 14,307
<b>4 2017 tax year section 965(a) inclusion amounts from Schedule A.</b> Enter the sum of column (j) of Schedule A . . . . .	<b>4</b>
<b>5 2017 tax year section 965(a) inclusions from pass-throughs.</b> Attach schedule . . . . .	<b>5</b> 4,581
<b>6 Total 2017 tax year section 965(a) inclusion.</b> Add lines 4 and 5 . . . . . ▶	<b>6</b> 4,581

<b>Part II Section 965(c) Deduction</b>	
<b>SECTION 1—Section 965(c) Deduction by Tax Year</b>	<b>2018 Tax Year</b>
<b>7</b> Enter the amount from Part I, line 1. If -0-, skip to line 16 . . . . .	<b>7</b>
<b>8 Aggregate Foreign Cash Position.</b> Enter the sum from Schedule D, line 21 . . . . .	<b>8</b>
<b>9</b> Enter the smaller of line 7 or 8 . . . . .	<b>9</b>
<b>10 Enter the 2018 15.5% Rate Equivalent Percentage from Part II, Section 2.</b> Enter amount from Section 2, line 1a . . . . .	<b>10</b>
<b>11 Section 965(c) Deduction Related to 15.5% Rate Equivalent Percentage.</b> Multiply line 9 by line 10 . . . . .	<b>11</b>
<b>12</b> Subtract line 9 from line 7 . . . . .	<b>12</b>
<b>13 Enter the 2018 8% Rate Equivalent Percentage from Part II, Section 2.</b> Enter amount from Section 2, line 1b . . . . .	<b>13</b>
<b>14 Section 965(c) Deduction Related to 8% Rate Equivalent Percentage.</b> Multiply line 12 by line 13 . . . . .	<b>14</b>
<b>15 2018 tax year section 965(c) deduction not from pass-throughs.</b> Add lines 11 and 14 . . . . .	<b>15</b>
<b>16 2018 tax year section 965(c) deduction from pass-throughs.</b> Attach schedule . . . . .	<b>16</b>
<b>17 Total 2018 tax year section 965(c) deduction.</b> Add lines 15 and 16. Enter the sum here and on your tax return as follows. Corporations: Enter the line 17 total on Form 1120, Schedule C, line 15, column (c), or the corresponding line of other corporate tax returns. All others: See instructions . . . . .	<b>17</b>

**SECTION 1—Section 965(c) Deduction by Tax Year** *(continued)*

**2017 Tax Year**

<b>18</b>	Enter the amount from Part I, line 4. If -0-, skip to line 27 . . . . .	<b>18</b>	
<b>19</b>	<b>Aggregate Foreign Cash Position.</b> Enter the sum from Schedule D, line 19 . . . . .	<b>19</b>	
<b>20</b>	Enter the smaller of line 18 or 19 . . . . .	<b>20</b>	
<b>21</b>	<b>Enter the 2017 15.5% Rate Equivalent Percentage from Part II, Section 2.</b> For calendar year persons, enter amount from Section 2, line 1a. For fiscal year persons, enter amount from Section 2, line 2c . . . . .	<b>21</b>	
<b>22</b>	<b>Section 965(c) Deduction Related to 15.5% Rate Equivalent Percentage.</b> Multiply line 20 by line 21 . . . . .	<b>22</b>	
<b>23</b>	Subtract line 20 from line 18 . . . . .	<b>23</b>	
<b>24</b>	<b>Enter the 2017 8% Rate Equivalent Percentage from Part II, Section 2.</b> For calendar year persons, enter amount from Section 2, line 1b. For fiscal year persons, enter amount from Section 2, line 2e . . . . .	<b>24</b>	
<b>25</b>	<b>Section 965(c) Deduction Related to 8% Rate Equivalent Percentage.</b> Multiply line 23 by line 24 . . . . .	<b>25</b>	
<b>26</b>	<b>2017 tax year section 965(c) deductions not from pass-throughs.</b> Add lines 22 and 25 . . . . .	<b>26</b>	
<b>27</b>	<b>2017 tax year section 965(c) deductions from pass-throughs.</b> Attach schedule . . . . .	<b>27</b>	2,552
<b>28</b>	<b>Total 2017 tax year section 965(c) deductions.</b> Add lines 26 and 27 . . . . .	<b>28</b>	2,552

**SECTION 2—Rate Equivalent Percentages**

<b>1</b>	<b>Calendar Year Persons</b>	<b>2017</b> Calendar Year	<b>2018</b> Tax Year
<b>a</b>	15.5 Percent Rate Equivalent Percentage	0.557142857	0.261904762
<b>b</b>	8 Percent Rate Equivalent Percentage	0.771428571	0.619047619
<b>2</b>	<b>2017 Fiscal Year Persons</b>		
<b>a</b>	Enter the section 15 blended rate calculated in accordance with section 965(c)(2) (see instructions) <b>15.5 Percent Rate Equivalent Percentage</b>	<b>2a</b>	
<b>b</b>	Subtract 15.5% from line 2a . . . . .	<b>2b</b>	
<b>c</b>	Divide line 2b by line 2a . . . . .	<b>2c</b>	
	<b>8 Percent Rate Equivalent Percentage</b>		
<b>d</b>	Subtract 8% from line 2a . . . . .	<b>2d</b>	
<b>e</b>	Divide line 2d by line 2a . . . . .	<b>2e</b>	

**Part III Elections**

	<b>Yes</b>	<b>No</b>
<b>A</b> Was an election made to pay the net tax liability over 8 years as provided for in section 965(h)? . . . . .		✓
<b>B</b> Complete if a shareholder in an S corporation. Was an election made to defer payment of net tax liability as provided for in section 965(i)? . . . . .		
<b>C</b> Complete if a Real Estate Investment Trust. Was an election made to include income over 8 years as provided for in section 965(m)? . . . . .		
<b>D</b> Was an election made not to apply a net operating loss deduction as provided in section 965(n)? . . . . .		
<b>E</b> Was the election provided for in Regulations section 1.965-2(f)(2) made? . . . . .		

**Corporate and Real Estate Investment Trust (REIT) Report of Net 965 Tax Liability and Electing REIT Report of 965 Amounts**

OMB No. 1545-0123

► Go to [www.irs.gov/Form965B](http://www.irs.gov/Form965B) for instructions and the latest information.

Check this box if this is an amended report

Name of taxpayer or REIT: **Albert and Margaret Alkek Foundation** Identifying number: **76-0491186** Taxable year of reporting: **2018**

REITs Electing To Account for Section 965 Amounts Over Time Must Fill Out Part III.

**Part I Report of Net 965 Tax Liability and Election To Pay in Installments**

(a) Year of Section 965(a) Inclusion or Liability Assumed (see instructions)	(b) Taxpayer's Net Tax Liability with all 965 amounts (see instructions)	(c) Taxpayer's Net Tax Liability without 965 amounts (see instructions)	(d) Net 965 Tax Liability (subtract column (c) from column (b))	(e) Installment Election Made		(f) Net 965 Tax Liability to be paid in full in Year 1 (if column (e) is "No," enter amount from column (d))	(g) Net 965 Tax Liability to be paid in installments (if column (e) is "Yes," enter amount from column (d) and see instructions)	(h) Net 965 Tax Liability Transferred (Out), Transferred In, or Subsequent Adjustments, if any (see instructions)	(i) Tax Identification Number of buyer/transferee or seller/transferor
				Yes	No				
1 2017	108,694	108,674	20						
2 2018	119,400	119,257	143						
3									
4									
5									
6									
7									

**Part II Record of Amount of Net 965 Tax Liability Paid by the Taxpayer (see instructions)**

(a) Year of Section 965(a) Inclusion or Liability Assumed (see instructions)	(b) Paid for Year 1		(c) Paid for Year 2		(d) Paid for Year 3		(e) Paid for Year 4		(f) Paid for Year 5	
	(g) Paid for Year 6	(h) Paid for Year 7	(i) Paid for Year 8	(j) Net 965 Tax Liability Remaining Unpaid (see instructions)	(k) Net 965 Tax Liability Paid for the Reporting Year	(l) Net 965 Tax Liability Remaining Unpaid (see instructions)	(m) Net 965 Tax Liability Paid for the Reporting Year	(n) Net 965 Tax Liability Remaining Unpaid (see instructions)	(o) Net 965 Tax Liability Paid for the Reporting Year	
1 2017										
2 2018										
3										
4										
5										
6										
7										

**Albert and Margaret Alkek Foundation**  
**TIN: 76-0491186**  
**For the Year Ended December 31, 2018**  
**Attachment to Form 965 – Inclusion of Deferred Foreign Income**

Part I, Line 2, Section 965(a) Exclusion Amounts for 2018

<u>Pass-Through Entity</u>	<u>Pass-Through TIN</u>	<u>DFIC</u>	<u>Amount</u>
Endowment Private Equity Partners IV, LP	06-1563330	NA	3,064
Commonfund Capital International Partners V, LP	16-1720038	NA	7
Commonfund Capital Private Equity Partners VI, LP	16-1720029	NA	541
Commonfund Capital Venture Partners VII, LP	16-1720044	NA	4,967
Commonfund Capital International Partners VI, LP	20-8306365	NA	1,358
Commonfund Capital Private Equity Partners VII, LP	20-8306365	NA	1,180
Tuckerbrook   SB Global Distressed Fund I, LP	76-0833755	NA	375
Commonfund Capital Natural Resources Partners VII, LP	51-0605779	NA	2,304
Commonfund Capital Natural Resources Partners VIII, LP	26-3180228	NA	511
			<u>14,307</u>

Part I, Line 5, Section 965(a) Exclusion Amounts for 2017

<u>Pass-Through Entity</u>	<u>Pass-Through TIN</u>	<u>DFIC</u>	<u>Amount</u>
Farallon Capital Institutional Partners, LP	94-3106323	NA	4,581
			<u>4,581</u>

Part II, Section 1, Line 27, 965(c) Deduction for 2017

<u>Pass-Through Entity</u>	<u>Pass-Through TIN</u>	<u>DFIC</u>	<u>Amount</u>
Farallon Capital Institutional Partners, LP	94-3106323	NA	2,552
			<u>2,552</u>

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

**2018**

For calendar year 2018 or other tax year beginning \_\_\_\_\_, 2018, and ending \_\_\_\_\_, 20 \_\_\_\_\_.

▶ Go to [www.irs.gov/Form990T](http://www.irs.gov/Form990T) for instructions and the latest information.

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

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

Department of the Treasury  
Internal Revenue Service

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 no. 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 code**  
(See instructions.)  
525990

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

176,068,248.

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

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

**H** Enter the number of the organization's unrelated trades or businesses. ▶ 1 Describe the only (or first) unrelated trade or business here ▶ Investment partnerships which generate UBTI. If only one, complete Parts I-V. If more than one, describe the first in the blank space at the end of the previous sentence, complete Parts I and II, complete a Schedule M for each additional trade or business, then complete Parts III-V.

**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

<b>Part I Unrelated Trade or Business Income</b>				(A) Income	(B) Expenses	(C) Net
<b>1a</b>	Gross receipts or sales		<b>1c</b>			
<b>b</b>	Less returns and allowances		<b>2</b>			
<b>2</b>	Cost of goods sold (Schedule A, line 7)		<b>3</b>			
<b>3</b>	Gross profit. Subtract line 2 from line 1c		<b>4a</b>			
<b>4a</b>	Capital gain net income (attach Schedule D)		<b>4b</b>			
<b>b</b>	Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)		<b>4c</b>			
<b>c</b>	Capital loss deduction for trusts		<b>5</b>	-80,149		-80,149
<b>5</b>	Income (loss) from a partnership or an S corporation (attach statement)		<b>6</b>			
<b>6</b>	Rent income (Schedule C)		<b>7</b>			
<b>7</b>	Unrelated debt-financed income (Schedule E)		<b>8</b>			
<b>8</b>	Interest, annuities, royalties, and rents from a controlled organization (Schedule F)		<b>9</b>			
<b>9</b>	Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)		<b>10</b>			
<b>10</b>	Exploited exempt activity income (Schedule I)		<b>11</b>			
<b>11</b>	Advertising income (Schedule J)		<b>12</b>			
<b>12</b>	Other income (See instructions; attach schedule)		<b>13</b>	-80,149		-80,149
<b>13</b>	<b>Total.</b> Combine lines 3 through 12					

<b>Part II Deductions Not Taken Elsewhere</b> (See instructions for limitations on deductions.) (Except for contributions, deductions must be directly connected with the unrelated business income.)			
<b>14</b>	Compensation of officers, directors, and trustees (Schedule K)		<b>14</b>
<b>15</b>	Salaries and wages		<b>15</b>
<b>16</b>	Repairs and maintenance		<b>16</b>
<b>17</b>	Bad debts		<b>17</b>
<b>18</b>	Interest (attach schedule) (see instructions)		<b>18</b>
<b>19</b>	Taxes and licenses		<b>19</b>
<b>20</b>	Charitable contributions (See instructions for limitation rules)		<b>20</b>
<b>21</b>	Depreciation (attach Form 4562)	<b>21</b>	
<b>22</b>	Less depreciation claimed on Schedule A and elsewhere on return	<b>22a</b>	<b>22b</b>
<b>23</b>	Depletion		<b>23</b>
<b>24</b>	Contributions to deferred compensation plans		<b>24</b>
<b>25</b>	Employee benefit programs		<b>25</b>
<b>26</b>	Excess exempt expenses (Schedule I)		<b>26</b>
<b>27</b>	Excess readership costs (Schedule J)		<b>27</b>
<b>28</b>	Other deductions (attach schedule) See Oth Ded Stmt.		<b>28</b> 65,254
<b>29</b>	<b>Total deductions.</b> Add lines 14 through 28		<b>29</b> 65,254
<b>30</b>	Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13		<b>30</b> -145,403
<b>31</b>	Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions)		<b>31</b>
<b>32</b>	Unrelated business taxable income. Subtract line 31 from line 30		<b>32</b> -145,403

**Part III Total Unrelated Business Taxable Income**

<b>33</b>	Total of unrelated business taxable income computed from all unrelated trades or businesses (see instructions)	<b>33</b>	0
<b>34</b>	Amounts paid for disallowed fringes	<b>34</b>	
<b>35</b>	Deduction for net operating loss arising in tax years beginning before January 1, 2018 (see instructions)	<b>35</b>	
<b>36</b>	Total of unrelated business taxable income before specific deduction. Subtract line 35 from the sum of lines 33 and 34	<b>36</b>	0
<b>37</b>	Specific deduction (Generally \$1,000, but see line 37 instructions for exceptions)	<b>37</b>	0
<b>38</b>	<b>Unrelated business taxable income.</b> Subtract line 37 from line 36. If line 37 is greater than line 36, enter the smaller of zero or line 36.	<b>38</b>	0

**Part IV Tax Computation**

<b>39</b>	<b>Organizations Taxable as Corporations.</b> Multiply line 38 by 21% (0.21)	<b>39</b>	0
<b>40</b>	<b>Trusts Taxable at Trust Rates.</b> See instructions for tax computation. Income tax on the amount on line 38 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041)	<b>40</b>	
<b>41</b>	<b>Proxy tax.</b> See instructions	<b>41</b>	
<b>42</b>	Alternative minimum tax (trusts only)	<b>42</b>	
<b>43</b>	<b>Tax on Noncompliant Facility Income.</b> See instructions	<b>43</b>	
<b>44</b>	<b>Total.</b> Add lines 41, 42, and 43 to line 39 or 40, whichever applies	<b>44</b>	0

**Part V Tax and Payments**

<b>45a</b>	Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)	<b>45a</b>	
<b>b</b>	Other credits (see instructions)	<b>45b</b>	
<b>c</b>	General business credit. Attach Form 3800 (see instructions)	<b>45c</b>	
<b>d</b>	Credit for prior year minimum tax (attach Form 8801 or 8827)	<b>45d</b>	
<b>e</b>	<b>Total credits.</b> Add lines 45a through 45d	<b>45e</b>	
<b>46</b>	Subtract line 45e from line 44	<b>46</b>	0
<b>47</b>	Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule)	<b>47</b>	
<b>48</b>	<b>Total tax.</b> Add lines 46 and 47 (see instructions)	<b>48</b>	0
<b>49</b>	2018 net 965 tax liability paid from Form 965-A or Form 965-B, Part II, column (k), line 2	<b>49</b>	
<b>50a</b>	Payments: A 2017 overpayment credited to 2018	<b>50a</b>	694,760
<b>b</b>	2018 estimated tax payments	<b>50b</b>	50,000
<b>c</b>	Tax deposited with Form 8868	<b>50c</b>	
<b>d</b>	Foreign organizations: Tax paid or withheld at source (see instructions)	<b>50d</b>	
<b>e</b>	Backup withholding (see instructions)	<b>50e</b>	
<b>f</b>	Credit for small employer health insurance premiums (attach Form 8941)	<b>50f</b>	
<b>g</b>	Other credits, adjustments, and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other <input type="checkbox"/> Total	<b>50g</b>	
<b>51</b>	<b>Total payments.</b> Add lines 50a through 50g	<b>51</b>	744,760
<b>52</b>	Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	<b>52</b>	
<b>53</b>	<b>Tax due.</b> If line 51 is less than the total of lines 48, 49, and 52, enter amount owed	<b>53</b>	
<b>54</b>	<b>Overpayment.</b> If line 51 is larger than the total of lines 48, 49, and 52, enter amount overpaid	<b>54</b>	744,760
<b>55</b>	Enter the amount of line 54 you want: <b>Credited to 2019 estimated tax</b> 744,760 <b>Refunded</b>	<b>55</b>	

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

<b>56</b>	At any time during the 2018 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	<b>Yes</b>	<b>No</b>
<b>57</b>	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.		<b>X</b>
<b>58</b>	Enter the amount of tax-exempt interest received or accrued during the tax year	\$	7,177.

**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: 11/13/19 Executive Director Title

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

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Cynthia G. Matthews	<i>[Signature]</i>	11/12/19		P00286341
	Firm's name	Firm's EIN		Phone no.	
	Ham, Langston & Brezuna, LLP	26-3922905		(713) 621-1177	
	Firm's address				
	11550 Fuqua St Ste 475, Houston, TX 77034-4304				

**Albert and Margaret Alkek Foundation**  
**TIN: 76-0491186**  
**Form 990-T Supporting Schedules**  
**For the Year Ended December 31, 2018**

**Page 1, Part I, Line 5 – Income (Loss) from a Partnership or S Corporation:**

Loss from Partnerships	
Income	3,439,736
Realized Gains	235,230
Deductions*	-3,755,115
	-80,149
	-80,149

\*Deductions exclude \$203,538 of percentage depletion deduction carried forward.

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

Indirect Management and General Expense	
Allocated Compensation, Payroll Taxes, Pension and Medical Insurance	54,560
Allocated Professional Fees and General Expense	2,544
Allocated Operating Cost - Custody Fees	1,008
Tax Review of Form 990-T	7,142
	65,254
	65,254

**Net Operating Loss Carryforward:**

	Beginning Net Operating Loss Carryforward	Net Operating Loss Carryforward	Application of Net Operating Loss Deduction	Ending Net Operating Loss Carryforward
2018	0	145,403	0	145,403
		145,403	0	
		145,403	0	