

**Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury  
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

**A** For the 2007 calendar year, or tax year beginning **JUL 1, 2007** and ending **JUN 30, 2008**

<b>B</b> Check if applicable:	Please use IRS label or print or type. See Specific Instructions.	<b>C</b> Name of organization <b>AIR FORCE VILLAGES FUND, INC.</b>	<b>D</b> Employer identification number <b>20-3962826</b>
<input type="checkbox"/> Address change		Number and street (or P.O. box if mail is not delivered to street address) Room/suite	<b>E</b> Telephone number <b>210-838-6330</b>
<input type="checkbox"/> Name change		<b>12455 FREEDOM WAY</b>	<b>F</b> Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) ▶
<input type="checkbox"/> Initial return		City or town, state or country, and ZIP + 4 <b>SAN ANTONIO, TX 78245-3526</b>	
<input type="checkbox"/> Termination		• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).	
<input type="checkbox"/> Amended return		Hand I are not applicable to section 527 organizations. <b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> If "Yes," enter number of affiliates ▶ <b>N/A</b> <b>H(c)</b> Are all affiliates included? <b>N/A</b> <input type="checkbox"/> Yes <input type="checkbox"/> No (If "No," attach a list.) <b>H(d)</b> Is this a separate return filed by an organization covered by a group ruling? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>I</b> Group Exemption Number ▶ <b>N/A</b>	
<input type="checkbox"/> Application pending		<b>M</b> Check <input type="checkbox"/> if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).	

**G** Website: ▶ **WWW.AIRFORCEVILLAGES.COM**

**J** Organization type (check only one)  501(c) ( 3 ) (insert no.)  4947(a)(1) or  527

**K** Check here  if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

**L** Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **8,074,858.**

**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances**

	<b>1</b>	Contributions, gifts, grants, and similar amounts received:		
<b>Revenue</b>	<b>a</b>	Contributions to donor advised funds	<b>1a</b>	
	<b>b</b>	Direct public support (not included on line 1a)	<b>1b</b>	<b>2,641,729.</b>
	<b>c</b>	Indirect public support (not included on line 1a)	<b>1c</b>	<b>471,176.</b>
	<b>d</b>	Government contributions (grants) (not included on line 1a)	<b>1d</b>	
	<b>e</b>	<b>Total</b> (add lines 1a through 1d) (cash \$ <b>3,112,905.</b> noncash \$ )	<b>1e</b>	<b>3,112,905.</b>
	<b>2</b>	Program service revenue including government fees and contracts (from Part VII, line 93)	<b>2</b>	<b>3,894,992.</b>
	<b>3</b>	Membership dues and assessments	<b>3</b>	
	<b>4</b>	Interest on savings and temporary cash investments	<b>4</b>	
	<b>5</b>	Dividends and interest from securities	<b>5</b>	<b>536,443.</b>
	<b>6a</b>	Gross rents	<b>6a</b>	
<b>6b</b>	Less: rental expenses	<b>6b</b>		
<b>6c</b>	Net rental income or (loss). Subtract line 6b from line 6a	<b>6c</b>		
<b>7</b>	Other investment income (describe )	<b>7</b>		
<b>Revenue</b>	<b>8a</b>	Gross amount from sales of assets other than inventory	(A) Securities	<b>410,808.</b>
		Less: cost or other basis and sales expenses	<b>8a</b>	
		Gain or (loss) (attach schedule)	<b>8b</b>	
		Net gain or (loss). Combine line 8c, columns (A) and (B)	<b>8c</b>	<b>410,808.</b>
<b>8d</b>		<b>STMT 1</b>	<b>8d</b>	<b>410,808.</b>
<b>Revenue</b>	<b>9</b>	Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>		
		<b>a</b> Gross revenue (not including \$ <b>0.</b> of contributions reported on line 1b)	<b>9a</b>	<b>119,710.</b>
		<b>b</b> Less: direct expenses other than fundraising expenses	<b>9b</b>	<b>19,470.</b>
<b>9c</b>	Net income or (loss) from special events. Subtract line 9b from line 9a	<b>9c</b>	<b>SEE STATEMENT 2</b>	<b>100,240.</b>
<b>Revenue</b>	<b>10a</b>	Gross sales of inventory, less returns and allowances	<b>10a</b>	
		Less: cost of goods sold	<b>10b</b>	
		Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	<b>10c</b>	
<b>11</b>	Other revenue (from Part VII, line 103)	<b>11</b>		
<b>12</b>	<b>Total revenue.</b> Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	<b>12</b>	<b>8,055,388.</b>	
<b>Expenses</b>	<b>13</b>	Program services (from line 44, column (B))	<b>13</b>	<b>58,310.</b>
	<b>14</b>	Management and general (from line 44, column (C))	<b>14</b>	
	<b>15</b>	Fundraising (from line 44, column (D))	<b>15</b>	
	<b>16</b>	Payments to affiliates (attach schedule)	<b>16</b>	
	<b>17</b>	<b>Total expenses.</b> Add lines 16 and 44, column (A)	<b>17</b>	<b>58,310.</b>
<b>Net Assets</b>	<b>18</b>	Excess or (deficit) for the year. Subtract line 17 from line 12	<b>18</b>	<b>7,997,078.</b>
	<b>19</b>	Net assets or fund balances at beginning of year (from line 73, column (A))	<b>19</b>	<b>14,783,694.</b>
	<b>20</b>	Other changes in net assets or fund balances (attach explanation)	<b>20</b>	<b>SEE STATEMENT 3</b>
	<b>21</b>	Net assets or fund balances at end of year. Combine lines 18, 19, and 20	<b>21</b>	<b>13,771,965.</b>

**Part II Statement of Functional Expenses**

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i>	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
<b>22a</b> Grants paid from donor advised funds (attach schedule) (cash \$ <u>0</u> . noncash \$ <u>0</u> .) If this amount includes foreign grants, check here <input type="checkbox"/>				
<b>22b</b> Other grants and allocations (attach schedule) (cash \$ <u>0</u> . noncash \$ <u>0</u> .) If this amount includes foreign grants, check here <input type="checkbox"/>				
<b>23</b> Specific assistance to individuals (attach schedule)				
<b>24</b> Benefits paid to or for members (attach schedule)				
<b>25a</b> Compensation of current officers, directors, key employees, etc. listed in Part V-A	0 .	0 .	0 .	0 .
<b>25b</b> Compensation of former officers, directors, key employees, etc. listed in Part V-B	0 .	0 .	0 .	0 .
<b>25c</b> Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
<b>26</b> Salaries and wages of employees not included on lines 25a, b, and c				
<b>27</b> Pension plan contributions not included on lines 25a, b, and c				
<b>28</b> Employee benefits not included on lines 25a - 27				
<b>29</b> Payroll taxes				
<b>30</b> Professional fundraising fees				
<b>31</b> Accounting fees				
<b>32</b> Legal fees				
<b>33</b> Supplies				
<b>34</b> Telephone				
<b>35</b> Postage and shipping				
<b>36</b> Occupancy				
<b>37</b> Equipment rental and maintenance				
<b>38</b> Printing and publications				
<b>39</b> Travel				
<b>40</b> Conferences, conventions, and meetings				
<b>41</b> Interest	44,152 .	44,152 .		
<b>42</b> Depreciation, depletion, etc. (attach schedule)				
<b>43</b> Other expenses not covered above (itemize):				
<b>a OTHER PROFESSIONAL FEES</b>				
<b>b FEES</b>	13,853 .	13,853 .		
<b>c CREDIT CARD FEES</b>	305 .	305 .		
<b>d</b>				
<b>e</b>				
<b>f</b>				
<b>g</b>				
<b>44 Total functional expenses.</b> Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	58,310 .	58,310 .	0 .	0 .

**Joint Costs.** Check  if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?  Yes  No  
 If "Yes," enter (i) the aggregate amount of these joint costs \$ N/A ; (ii) the amount allocated to Program services \$ N/A ;  
 (iii) the amount allocated to Management and general \$ N/A ; and (iv) the amount allocated to Fundraising \$ N/A



**Part IV Balance Sheets** (See the instructions.)

**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
<b>Assets</b>	45 Cash - non-interest-bearing .....	1,688,724.	45	2,980,073.
	46 Savings and temporary cash investments .....	7,051,008.	46	3,991,894.
	47 a Accounts receivable .....	47a 12,569,390.		
	b Less: allowance for doubtful accounts .....	47b	12,590,550.	47c 12,569,390.
	48 a Pledges receivable .....	48a		
	b Less: allowance for doubtful accounts .....	48b		48c
	49 Grants receivable .....			49
	50 a Receivables from current and former officers, directors, trustees, and key employees .....			50a
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) .....			50b
	51 a Other notes and loans receivable .....	51a		
	b Less: allowance for doubtful accounts .....	51b		51c
	52 Inventories for sale or use .....			52
	53 Prepaid expenses and deferred charges .....			53
	54 a Investments - publicly-traded securities <b>STMT 7</b> <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		6,320,884.	54a 7,017,499.
	b Investments - other securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV			54b
	55 a Investments - land, buildings, and equipment: basis .....	55a		
	b Less: accumulated depreciation .....	55b		55c
	56 Investments - other .....			56
	57 a Land, buildings, and equipment: basis .....	57a		
	b Less: accumulated depreciation .....	57b		57c
58 Other assets, including program-related investments (describe <input type="checkbox"/> )			58	
59 <b>Total assets</b> (must equal line 74). Add lines 45 through 58 .....		27,651,166.	59 26,558,856.	
<b>Liabilities</b>	60 Accounts payable and accrued expenses .....	12,833,046.	60	12,373,824.
	61 Grants payable .....		61	
	62 Deferred revenue .....		62	
	63 Loans from officers, directors, trustees, and key employees .....		63	
	64 a Tax-exempt bond liabilities .....		64a	
	b Mortgages and other notes payable .....		64b	
	65 Other liabilities (describe <input type="checkbox"/> <b>SEE STATEMENT 6</b> )		34,426.	65 413,067.
66 <b>Total liabilities.</b> Add lines 60 through 65 .....		12,867,472.	66 12,786,891.	
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted .....	1,539,285.	67	2,062,412.
	68 Temporarily restricted .....	9,206,112.	68	7,528,004.
	69 Permanently restricted .....	4,038,297.	69	4,181,549.
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds .....		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund .....		71	
	72 Retained earnings, endowment, accumulated income, or other funds .....		72	
	73 <b>Total net assets or fund balances.</b> Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21) .....		14,783,694.	73 13,771,965.
	74 <b>Total liabilities and net assets/fund balances.</b> Add lines 66 and 73 .....		27,651,166.	74 26,558,856.

**Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return** (See the instructions.)

<b>a</b>	Total revenue, gains, and other support per audited financial statements	<b>a</b>	4,657,125.
<b>b</b>	Amounts included on line <b>a</b> but not on Part I, line 12:		
1	Net unrealized gains on investments	b1	
2	Donated services and use of facilities	b2	
3	Recoveries of prior year grants	b3	
4	Other (specify):	b4	
	Add lines <b>b1</b> through <b>b4</b>	<b>b</b>	0.
<b>c</b>	Subtract line <b>b</b> from line <b>a</b>	<b>c</b>	4,657,125.
<b>d</b>	Amounts included on Part I, line 12, but not on line <b>a</b> :		
1	Investment expenses not included on Part I, line 6b	d1	
2	Other (specify): <b>SEE STATEMENT 9</b>	d2	3,398,263.
	Add lines <b>d1</b> and <b>d2</b>	<b>d</b>	3,398,263.
<b>e</b>	<b>Total revenue</b> (Part I, line 12). Add lines <b>c</b> and <b>d</b>	<b>e</b>	8,055,388.

**Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

<b>a</b>	Total expenses and losses per audited financial statements	<b>a</b>	33,628.
<b>b</b>	Amounts included on line <b>a</b> but not on Part I, line 17:		
1	Donated services and use of facilities	b1	
2	Prior year adjustments reported on Part I, line 20	b2	
3	Losses reported on Part I, line 20	b3	
4	Other (specify): <b>SEE STATEMENT 8</b>	b4	19,470.
	Add lines <b>b1</b> through <b>b4</b>	<b>b</b>	19,470.
<b>c</b>	Subtract line <b>b</b> from line <b>a</b>	<b>c</b>	14,158.
<b>d</b>	Amounts included on Part I, line 17, but not on line <b>a</b> :		
1	Investment expenses not included on Part I, line 6b	d1	
2	Other (specify): <b>INVESTMENT INTEREST EXPENSE</b>	d2	44,152.
	Add lines <b>d1</b> and <b>d2</b>	<b>d</b>	44,152.
<b>e</b>	<b>Total expenses</b> (Part I, line 17). Add lines <b>c</b> and <b>d</b>	<b>e</b>	58,310.

**Part V-A Current Officers, Directors, Trustees, and Key Employees** (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the 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 & deferred compensation plans	(E) Expense account and other allowances
MAJ. GEN. HERB EMANUEL 5100 JOHN D RYAN BLVD SAN ANTONIO, TX 78245	CHAIRMAN 0.00	0.	0.	0.
MR. PAUL PERRY 5100 JOHN D RYAN BLVD SAN ANTONIO, TX 78245	DIRECTOR 0.00	0.	0.	0.
COL. ALLEN HOPPE 5100 JOHN D RYAN BLVD SAN ANTONIO, TX 78245	DIRECTOR 0.00	0.	0.	0.
COL. JAMES MIDDLETON 5100 JOHN D RYAN BLVD SAN ANTONIO, TX 78245	DIRECTOR 0.00	0.	0.	0.
MR. DAVID PEEBLES 5100 JOHN D RYAN BLVD SAN ANTONIO, TX 78245	DIRECTOR 0.00	0.	0.	0.



Part VI Other Information (continued)		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? .....		X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) ..... <b>82b</b> N/A		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications? .....	X	
b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions? .....	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible? .....		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? ..... N/A		
85 a	501(c)(4), (5), or (6). Were substantially all dues nondeductible by members? ..... N/A		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? ..... N/A If "Yes" was answered to either 85a or 85b, <b>do not</b> complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
c	Dues, assessments, and similar amounts from members ..... <b>85c</b> N/A		
d	Section 162(e) lobbying and political expenditures ..... <b>85d</b> N/A		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices ..... <b>85e</b> N/A		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) ..... <b>85f</b> N/A		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? ..... N/A		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? ..... N/A		
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12 ..... <b>86a</b> N/A		
b	Gross receipts, included on line 12, for public use of club facilities ..... <b>86b</b> N/A		
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders ..... <b>87a</b> N/A		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) ..... <b>87b</b> N/A		
88 a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX .....		X
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI .....		X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <b>0.</b> ; section 4912 <b>0.</b> ; section 4955 <b>0.</b>		
b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction .....		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ..... <b>0.</b>		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ..... <b>0.</b>		
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? .....		X
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract? .....		X
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year? .....		X
90 a	List the states with which a copy of this return is filed <b>NONE</b>		
b	Number of employees employed in the pay period that includes March 12, 2007 ..... <b>90b</b> 0		
91 a	The books are in care of <b>TIMOTHY B.A. SMITH</b> Telephone no. <b>210-838-6330</b> Located at <b>12455 FREEDOM WAY, SAN ANTONIO, TX</b> ZIP + 4 <b>78245</b>		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? ..... If "Yes," enter the name of the foreign country <b>N/A</b> See the instructions for exceptions and filing requirements for <b>Form TD F 90-22.1</b> , Report of Foreign Bank and Financial Accounts.		X

**Part VI Other Information** (continued) Yes No

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c    
 If "Yes," enter the name of the foreign country N/A

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here   
 and enter the amount of tax-exempt interest received or accrued during the tax year 92 N/A

**Part VII Analysis of Income-Producing Activities** (See the instructions.)

**Note:** Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue:					
a REIMBURSEMENT FROM					
b AFFILIATES					
c RESEARCH AND OTHER					
d MISCELLANEOUS INCOME					3,894,992.
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities			14	536,443.	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	410,808.	
101 Net income or (loss) from special events			05	100,240.	
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0.		1,047,491.	3,894,992.
105 Total (add line 104, columns (B), (D), and (E))					4,942,483.

**Note:** Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93	ALL ITEMS ARE PROGRAM SERVICE INCOME AND REIMBURSEMENTS WHICH RELATE TO MAINTAINING A RESIDENTIAL COMMUNITY STRUCTURED TO MEET THE NEEDS OF RETIRED MEN AND WOMEN OF THE US AIR FORCE AND OTHER BRANCHES OF MILITARY SERVICE.

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No

**Note:** If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

**Part XI Information Regarding Transfers To and From Controlled Entities.** Complete only if the organization is a controlling organization as defined in section 512(b)(13). **N/A**

**106** Did the reporting organization **make** any transfers **to** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

<b>Yes</b>	<b>No</b>

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	-----			
b	-----			
c	-----			
<b>Totals</b>				

**107** Did the reporting organization **receive** any transfers **from** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

<b>Yes</b>	<b>No</b>

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	-----			
b	-----			
c	-----			
<b>Totals</b>				

**108** Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

<b>Yes</b>	<b>No</b>

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 officer) is based on all information of which preparer has any knowledge.

<b>Please Sign Here</b>	Signature of officer _____ <b>TIMOTHY B.A. SMITH, CHIEF FINANCIAL OFFICER</b> Type or print name and title	Date _____		
<b>Paid Preparer's Use Only</b>	Preparer's signature _____ Firm's name (or yours if self-employed), address, and ZIP + 4 <b>FISHER, HERBST &amp; KEMBLE, P.C.</b> <b>9501 CONSOLE DR., SUITE 200</b> <b>SAN ANTONIO, TEXAS 78229</b>	Date <b>01/22/09</b>	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN (See Gen. Inst. X) EIN _____ Phone no. <b>(210) 614-2284</b>



**Part III Statements About Activities** (See page 2 of the instructions.)

		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		X
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a	Sale, exchange, or leasing of property? .....	2a	X
b	Lending of money or other extension of credit? .....	2b	X
c	Furnishing of goods, services, or facilities? .....	2c	X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? .....	2d	X
e	Transfer of any part of its income or assets? .....	2e	X
3 a	Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.) .....	3a	X
b	Did the organization have a section 403(b) annuity plan for its employees? .....	3b	X
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement .....	3c	X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services? .....	3d	X
4 a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g .....	4a	X
b	Did the organization make any taxable distributions under section 4966? .....	4b	N/A
c	Did the organization make a distribution to a donor, donor advisor, or related person? .....	4c	N/A
d	Enter the total number of donor advised funds owned at the end of the tax year .....	N/A	
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year .....	N/A	
f	Enter the total number of separate funds or accounts owned at the end of the year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts .....	0.	
g	Enter the aggregate value of assets in all funds or accounts included on line 4f at the end of the tax year .....	0.	

**Part IV Reason for Non-Private Foundation Status** (See pages 4 through 8 of the instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5  A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6  A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7  A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8  A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9  A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state** ▶ \_\_\_\_\_
- 10  An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a  An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b  A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12  An organization that normally receives: (1) **more than 33 1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) **no more than 33 1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13  An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:  
 Type I                       Type II                       Type III-Functionally Integrated                       Type III-Other

**Provide the following information about the supported organizations.** (See page 8 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
<b>Total</b> .....					▶

- 14  An organization organized and operated to test for public safety. Section 509(a)(4). (See page 8 of the instructions.)

**Part IV-A Support Schedule** (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.**

**Note:** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
<b>15</b> Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	5,817,640.				5,817,640.
<b>16</b> Membership fees received					
<b>17</b> Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
<b>18</b> Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	437,839.				437,839.
<b>19</b> Net income from unrelated business activities not included in line 18					
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
<b>21</b> The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
<b>23</b> Total of lines 15 through 22	6,255,479.	0.	0.	0.	6,255,479.
<b>24</b> Line 23 minus line 17	6,255,479.				6,255,479.
<b>25</b> Enter 1% of line 23	62,555.				
<b>26 Organizations described on lines 10 or 11:</b> a Enter 2% of amount in column (e), line 24					<b>26a</b> 125,110.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					<b>26b</b> 0.
c Total support for section 509(a)(1) test: Enter line 24, column (e)					<b>26c</b> 6,255,479.
d Add: Amounts from column (e) for lines: 18 437,839. 19 _____ 22 _____ 26b _____					<b>26d</b> 437,839.
e Public support (line 26c minus line 26d total)					<b>26e</b> 5,817,640.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					<b>26f</b> 93.0007%
<b>27 Organizations described on line 12:</b> a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: N/A (2006) _____ (2005) _____ (2004) _____ (2003) _____					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: N/A (2006) _____ (2005) _____ (2004) _____ (2003) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					<b>27c</b> N/A
d Add: Line 27a total _____ and line 27b total _____					<b>27d</b> N/A
e Public support (line 27c total minus line 27d total)					<b>27e</b> N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					<b>27f</b> N/A
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					<b>27g</b> N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					<b>27h</b> N/A %

**28 Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

NONE

**Part V**

**Private School Questionnaire** (See page 9 of the instructions.)

N/A

**(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body? .....		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships? .....		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? .....		
If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)			
_____			
_____			
_____			
32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff? .....	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? .....	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? .....	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions? .....	32d	
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)			
_____			
_____			
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges? .....	33a	
b	Admissions policies? .....	33b	
c	Employment of faculty or administrative staff? .....	33c	
d	Scholarships or other financial assistance? .....	33d	
e	Educational policies? .....	33e	
f	Use of facilities? .....	33f	
g	Athletic programs? .....	33g	
h	Other extracurricular activities? .....	33h	
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
_____			
_____			
34 a	Does the organization receive any financial aid or assistance from a governmental agency? .....	34a	
b	Has the organization's right to such aid ever been revoked or suspended? .....	34b	
If you answered "Yes" to either 34a or b, please explain using an attached statement.			
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation .....	35	

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See page 11 of the instructions.)  
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

**N/A**

Check **a**  if the organization belongs to an affiliated group. Check **b**  if you checked "a" and "limited control" provisions apply.

<b>Limits on Lobbying Expenditures</b> (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for <b>all</b> electing organizations
		<b>N/A</b>	
<b>36</b> Total lobbying expenditures to influence public opinion (grassroots lobbying) .....	<b>36</b>		
<b>37</b> Total lobbying expenditures to influence a legislative body (direct lobbying) .....	<b>37</b>		
<b>38</b> Total lobbying expenditures (add lines 36 and 37) .....	<b>38</b>		
<b>39</b> Other exempt purpose expenditures .....	<b>39</b>		
<b>40</b> Total exempt purpose expenditures (add lines 38 and 39) .....	<b>40</b>		
<b>41</b> Lobbying nontaxable amount. Enter the amount from the following table -			
<b>If the amount on line 40 is -</b>	<b>The lobbying nontaxable amount is -</b>		
Not over \$500,000 .....	20% of the amount on line 40 .....		
Over \$500,000 but not over \$1,000,000 .....	\$100,000 plus 15% of the excess over \$500,000 .....		
Over \$1,000,000 but not over \$1,500,000 .....	\$175,000 plus 10% of the excess over \$1,000,000 .....	<b>41</b>	
Over \$1,500,000 but not over \$17,000,000 .....	\$225,000 plus 5% of the excess over \$1,500,000 .....		
Over \$17,000,000 .....	\$1,000,000 .....		
<b>42</b> Grassroots nontaxable amount (enter 25% of line 41) .....	<b>42</b>		
<b>43</b> Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 .....	<b>43</b>		
<b>44</b> Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 .....	<b>44</b>		

**Caution:** If there is an amount on either line 43 or line 44, you must file Form 4720.

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
<b>45</b> Lobbying nontaxable amount .....					0.
<b>46</b> Lobbying ceiling amount (150% of line 45(e)) .....					0.
<b>47</b> Total lobbying expenditures .....					0.
<b>48</b> Grassroots nontaxable amount .....					0.
<b>49</b> Grassroots ceiling amount (150% of line 48(e)) .....					0.
<b>50</b> Grassroots lobbying expenditures .....					0.

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A) (See page 14 of the instructions.)

**N/A**

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
<b>a</b> Volunteers .....			
<b>b</b> Paid staff or management (Include compensation in expenses reported on lines <b>c</b> through <b>h</b> .) .....			
<b>c</b> Media advertisements .....			
<b>d</b> Mailings to members, legislators, or the public .....			
<b>e</b> Publications, or published or broadcast statements .....			
<b>f</b> Grants to other organizations for lobbying purposes .....			
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body .....			
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means .....			
<b>i</b> Total lobbying expenditures (Add lines <b>c</b> through <b>h</b> .) .....			0.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.



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

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

Supplementary Information for  
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

OMB No. 1545-0047

**2007**

Name of organization

Employer identification number

AIR FORCE VILLAGES FUND, INC.

20-3962826

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)( 3 ) (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 organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

**Special Rules-**

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)

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

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ..... ► \$ \_\_\_\_\_

**Caution:** Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions  
for Form 990, Form 990-EZ, and Form 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2007)

<b>Name of organization</b>  <b>AIR FORCE VILLAGES FUND, INC.</b>	<b>Employer identification number</b>  <b>20-3962826</b>
---	--

**Part I Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	LYNNE CAUGHRON <hr/> DOROTHY BENNET 10129 REEDS DR <hr/> OVERLAND PARK, KS 66207 <hr/>	\$ 87,100.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	THE J.E. & L.E. MABEE FOUNDATION, INC. <hr/> 401 S BOSTON AVE STE #3001 <hr/> TULSA, OK 74103 <hr/>	\$ 375,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	<hr/> <hr/> <hr/> <hr/>	\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	<hr/> <hr/> <hr/> <hr/>	\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	<hr/> <hr/> <hr/> <hr/>	\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	<hr/> <hr/> <hr/> <hr/>	\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

FORM 990	GAIN (LOSS) FROM PUBLICLY TRADED SECURITIES			STATEMENT	1
DESCRIPTION	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	NET GAIN OR (LOSS)	
SALE OF SECURITIES	410,808.	0.	0.	410,808.	
TO FORM 990, PART I, LINE 8	410,808.	0.	0.	410,808.	

FORM 990	SPECIAL EVENTS AND ACTIVITIES				STATEMENT	2
DESCRIPTION OF EVENT	GROSS RECEIPTS	CONTRIBUT. INCLUDED	GROSS REVENUE	DIRECT EXPENSES	NET INCOME OR (LOSS)	
GOLF TOURNAMENT	119,710.		119,710.	19,470.	100,240.	
TO FM 990, PART I, LINE 9	119,710.		119,710.	19,470.	100,240.	

FORM 990	OTHER CHANGES IN NET ASSETS OR FUND BALANCES			STATEMENT	3
DESCRIPTION	AMOUNT				
UNREALIZED GAIN FROM RESTRICTED NET ASSETS	-684,991.				
CHANGE IN VALUE OF OF SPLIT-INTEREST AGREEMENTS	-75,312.				
CHANGE IN RESTRICTED NET ASSETS	-4,405,740.				
REIMBURSEMENTS TO AFFILIATES	-3,842,764.				
TOTAL TO FORM 990, PART I, LINE 20	-9,008,807.				



FORM 990	OTHER LIABILITIES	STATEMENT	6
DESCRIPTION		BEGINNING OF YEAR	END OF YEAR
DEFERRED REVENUE		34,426.	30,588.
SPLIT INTEREST AGREEMENT OBLIGATIONS			382,479.
TOTAL TO FORM 990, PART IV, LINE 65		34,426.	413,067.

FORM 990	NON-GOVERNMENT SECURITIES	STATEMENT	7		
SECURITY DESCRIPTION	COST/FMV	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	TOTAL NON-GOV'T SECURITIES
SECURITIES	FMV			7,017,499.	7,017,499.
TO FORM 990, LINE 54A, COL B				7,017,499.	7,017,499.

FORM 990	OTHER EXPENSES NOT INCLUDED ON FORM 990	STATEMENT	8
DESCRIPTION		AMOUNT	
FUNDRAISING EXPENSE INCLUDED IN INCOME		19,470.	
TOTAL TO FORM 990, PART IV-B		19,470.	

FORM 990	OTHER REVENUE INCLUDED ON FORM 990	STATEMENT	9
DESCRIPTION		AMOUNT	
INVESTMENT INCOME		947,251.	
OTHER CHANGES IN RESTRICTED NET ASSETS		2,350,772.	
FUNDRAISING ACTIVITY		100,240.	
TOTAL TO FORM 990, PART IV-A		3,398,263.	

FORM 990

IDENTIFICATION OF RELATED ORGANIZATIONS  
PART VI, LINE 80B

STATEMENT 10

<u>NAME OF ORGANIZATION</u>	<u>EXEMPT</u>	<u>NONEXEMPT</u>
AIR FORCE VILLAGE FOUNDATION, INC.	X	
AIR FORCE VILLAGE II, INC.	X	
AIR FORCE VILLAGES CHARITABLE FOUNDATION	X	
AIR FORCE VILLAGES, INC.	X	
AFV HEALTH SERVICES, INC.	X	
ALZHEIMER'S CARE & RESEARCH CENTER FDN	X	

# Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

**Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

**Part I Automatic 3-Month Extension of Time.** Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

**Electronic Filing (e-file).** Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on *e-file for Charities & Nonprofits*.

Type or print	Name of Exempt Organization <b>AIR FORCE VILLAGES FUND, INC.</b>	Employer identification number <b>20-3962826</b>
	Number, street, and room or suite no. If a P.O. box, see instructions. <b>12455 FREEDOM WAY</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>SAN ANTONIO, TX 78245-3526</b>	

Check type of return to be filed (file a separate application for each return):

- |  |   |                                    |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation)                 | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL         | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ         | <input type="checkbox"/> Form 990-T (trust other than above)      | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF         | <input type="checkbox"/> Form 1041-A                              | <input type="checkbox"/> Form 8870 |

- The books are in the care of ▶ **TIMOTHY B.A. SMITH**  
Telephone No. ▶ **210-838-6330** FAX No. ▶ \_\_\_\_\_
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a corporation required to file Form 990-T) extension of time until **FEBRUARY 15, 2009**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶  calendar year \_\_\_\_\_ or

▶  tax year beginning **JUL 1, 2007**, and ending **JUN 30, 2008**.

2 If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period

<b>3a</b> If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a</b>	\$	
<b>b</b> If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	<b>3b</b>	\$	
<b>c Balance Due.</b> Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b>	\$	<b>N/A</b>

**Caution.** If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

Form **8879-EO**

**IRS e-file Signature Authorization  
for an Exempt Organization**

OMB No. 1545-1878

For calendar year 2007, or fiscal year beginning JUL 1, 2007, and ending JUN 30, 2008

**2007**

Department of the Treasury  
Internal Revenue Service

▶ **Do not send to the IRS. Keep for your records.**  
▶ **See instructions.**

Return ID (20-digit number) ▶

N/A

Name of exempt organization

**AIR FORCE VILLAGES FUND, INC.**

Employer identification number

**20-3962826**

Name and title of officer

**TIMOTHY B.A. SMITH  
CHIEF FINANCIAL OFFICER**

**Part I Type of Return and Return Information** (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount from the return if any. If you check the box on line **1a, 2a, 3a, 4a,** or **5a,** below, and the amount on that line for the return for which you are filing this form was blank, then leave line **1b, 2b, 3b, 4b,** or **5b,** whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than 1 line in Part I.

<b>1a</b> Form 990 check here ▶ <input checked="" type="checkbox"/>	<b>b</b> Total revenue, if any (Form 990, line 12) .....	<b>1b</b> <u>8055388</u>
<b>2a</b> Form 990-EZ check here ▶ <input type="checkbox"/>	<b>b</b> Total revenue, if any (Form 990-EZ, line 9) .....	<b>2b</b> _____
<b>3a</b> Form 1120-POL check here ▶ <input type="checkbox"/>	<b>b</b> Total tax (Form 1120-POL, line 22) .....	<b>3b</b> _____
<b>4a</b> Form 990-PF check here ▶ <input type="checkbox"/>	<b>b</b> Tax Based on Investment Income (Form 990-PF, Part VI, line 5) .....	<b>4b</b> _____
<b>5a</b> Form 8868 check here ▶ <input type="checkbox"/>	<b>b</b> Balance Due (Form 8868, line 3c) .....	<b>5b</b> _____

**Part II Declaration and Signature Authorization of Officer**

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2007 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) an indication of any refund offset, (c) the reason for any delay in processing the return or refund, and (d) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

**Officer's PIN: check one box only**

I authorize FISHER, HERBST & KEMBLE, P.C. to enter my PIN 12345  
ERO firm name do not enter all zeros

as my signature on the organization's tax year 2007 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2007 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶ **\*\*\*\*\* THIS IS NOT A FILEABLE COPY \*\*\*\*\*** Date ▶ \_\_\_\_\_

**Part III Certification and Authentication**

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN. 74843113579  
do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2007 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers.

ERO's signature ▶ \_\_\_\_\_ Date ▶ 01/22/09

**ERO Must Retain This Form - See Instructions  
Do Not Submit This Form To the IRS Unless Requested To Do So**