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Form **990-PF**Department of the Treasury
Internal Revenue Service**Return of Private Foundation**
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0052

2010

For calendar year 2010, or tax year beginning , and ending

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

Name of foundation Welton Foundation		A Employer identification number 26-3843649
Number and street (or P O box number if mail is not delivered to street address)	Room/suite	B Telephone number (see page 10 of the instructions)
c/o Foundation Source, 501 Silverside Road	123	(800) 839-1754
City or town, state, and ZIP code Wilmington DE 19809-1377		C If exemption application is pending, check here ☐
H Check type of organization ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		D 1. Foreign organizations, check here ☐
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 2,461,533		2. Foreign organizations meeting the 85% test, check here and attach computation ☐
J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify) _____		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐
(Part I, column (d) must be on cash basis)		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities				
	5 a Gross rents				
	b Net rental income or (loss)				
	6 a Net gain or (loss) from sale of assets not on line 10	704,102			
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		704,102		
	8 Net short-term capital gain				
	9 Income modifications				
	10 a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)	186,423	186,423			
12 Total. Add lines 1 through 11	890,525	890,525			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16 a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)				
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	12,666	1,055		11,611
	24 Total operating and administrative expenses. Add lines 13 through 23	12,666	1,055		11,611
	25 Contributions, gifts, grants paid	223,500			223,500
26 Total expenses and disbursements. Add lines 24 and 25	236,166	1,055		235,111	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	654,359				
b Net investment income (if negative, enter -0-)		889,470			
c Adjusted net income (if negative, enter -0-)					

For Paperwork Reduction Act Notice, see page 30 of the instructions.

(HTA)

Form **990-PF** (2010)

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing			
	2 Savings and temporary cash investments	108,933	73,572	73,572
	3 Accounts receivable			
	Less allowance for doubtful accounts			
	4 Pledges receivable			
	Less allowance for doubtful accounts			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7 Other notes and loans receivable (attach schedule)			
	Less allowance for doubtful accounts			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10 a Investments—U S. and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)			
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment basis			
Less accumulated depreciation (attach schedule)				
12 Investments—mortgage loans				
13 Investments—other (attach schedule)	1,816,700	2,506,420	2,387,961	
14 Land, buildings, and equipment basis				
Less accumulated depreciation (attach schedule)				
15 Other assets (describe)				
16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	1,925,633	2,579,992	2,461,533	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe)			
	23 Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ☐			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ☒			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	1,925,633	2,579,992	
30 Total net assets or fund balances (see page 17 of the instructions)	1,925,633	2,579,992		
31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	1,925,633	2,579,992		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,925,633
2 Enter amount from Part I, line 27a	2	654,359
3 Other increases not included in line 2 (itemize)	3	
4 Add lines 1, 2, and 3	4	2,579,992
5 Decreases not included in line 2 (itemize)	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	2,579,992

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs. MLC Co.)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a Passthrough K1 Capital Gain			
b			
c			
d			
e			
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			704,102
b			
c			
d			
e			
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			704,102
b			
c			
d			
e			
2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }			2 704,102
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8 }			3

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

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

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

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

(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))
2009	140,947	1,832,080	0.076933
2008	0	985,000	0.000000
2007			0.000000
2006			0.000000
2005			0.000000
2 Total of line 1, column (d)			2 0.076933
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 0.038467
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5			4 2,451,195
5 Multiply line 4 by line 3			5 94,290
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 8,895
7 Add lines 5 and 6			7 103,185
8 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 on page 18.			8 235,111

Part VI **Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)**

1 a Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)				
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b		1	8,895	
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)				
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0	
3 Add lines 1 and 2		3	8,895	
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4		
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	8,895	
6 Credits/Payments				
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a	0		
b Exempt foreign organizations—tax withheld at source	6b			
c Tax paid with application for extension of time to file (Form 8868)	6c	0		
d Backup withholding erroneously withheld	6d			
7 Total credits and payments. Add lines 6a through 6d	7	0		
8 Enter any penalty for underpayment of estimated tax. Check here ☒ if Form 2220 is attached	8	0		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	8,895		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0		
11 Enter the amount of line 10 to be Credited to 2011 estimated tax ☐ 0 Refunded ☐	11	0		

Part VII-A **Statements Regarding Activities**

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation ☐ \$ _____ (2) On foundation managers ☐ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ☐ \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 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	X	
8 a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ☐ DE		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶	13	X	
14	The books are in care of ▶ c/o Foundation Source Telephone no ▶ (800) 839-1754 Located at ▶ 501 Silverside Road, Suite 123 Wilmington DE ZIP+4 ▶ 19809-1377			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the year ▶ 15			
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ▶	16	Yes	No X

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) ☐ Yes ☒ No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ ☐	1b	N/A
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? ☐ Yes ☒ No If "Yes," list the years ▶ 20____, 20____, 20____, 20____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 22 of the instructions)	2b	N/A
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☒ Yes ☐ No		
b	If "Yes," did it have excess business holdings in 2010 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 2010)	3b	X
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?	4b	X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions)

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No**b** If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)?**5b** N/A

Organizations relying on a current notice regarding disaster assistance check here

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

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?☐ Yes ☒ No**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870**6b**

X

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?**7b** N/A**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1** List all officers, directors, trustees, foundation managers and their compensation (see page 22 of 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 and deferred compensation	(e) Expense account, other allowances
SEE ATTACHMENT				

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the 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

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
.....		
.....		
.....		
.....		
.....		

Total number of others receiving over \$50,000 for professional services ▶**Part IX-A Summary of Direct Charitable Activities**

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

Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
.....	
2	
.....	
All other program-related investments. See page 24 of the instructions	
3	
.....	
Total. Add lines 1 through 3 ▶	0 0

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	0
b	Average of monthly cash balances	1b	100,562
c	Fair market value of all other assets (see page 25 of the instructions)	1c	2,387,961
d	Total (add lines 1a, b, and c)	1d	2,488,523
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	2,488,523
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	37,328
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,451,195
6	Minimum investment return. Enter 5% of line 5	6	122,560

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	122,560
2a	Tax on investment income for 2010 from Part VI, line 5	2a	8,895
b	Income tax for 2010 (This does not include the tax from Part VI.)	2b	0
c	Add lines 2a and 2b	2c	8,895
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	113,665
4	Recoveries of amounts treated as qualifying distributions	4	0
5	Add lines 3 and 4	5	113,665
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	113,665

Part XII Qualifying Distributions (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	235,111
b	Program-related investments—total from Part IX-B	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	0
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	235,111
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	8,895
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	226,216

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 page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				113,665
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			0	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2010				
a From 2005	0			
b From 2006	0			
c From 2007	0			
d From 2008	0			
e From 2009	46,104			
f Total of lines 3a through e	46,104			
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ \$ 235,111				
a Applied to 2009, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		0		
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)				
d Applied to 2010 distributable amount				113,665
e Remaining amount distributed out of corpus	121,446			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))	0			0
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	167,550			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions		0		
e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions			0	
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)	0			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	167,550			
10 Analysis of line 9				
a Excess from 2006	0			
b Excess from 2007	0			
c Excess from 2008	0			
d Excess from 2009	46,104			
e Excess from 2010	121,446			

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, enter the date of the ruling

☐ 4942(j)(3) or ☐ 4942(j)(5)

b Check box to indicate whether the foundation is a private operating foundation described in section

2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

Tax year	Prior 3 years			(e) Total
(a) 2010	(b) 2009	(c) 2008	(d) 2007	
0				0
b 85% of line 2a	0	0	0	0
c Qualifying distributions from Part XII, line 4 for each year listed	0			0
d Amounts included in line 2c not used directly for active conduct of exempt activities				0
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c	0	0	0	0
3 Complete 3a, b, or c for the alternative test relied upon				
a "Assets" alternative test—enter				
(1) Value of all assets				0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)				0
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	0			0
c "Support" alternative test—enter				
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)				0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)				0
(3) Largest amount of support from an exempt organization				0
(4) Gross investment income				0

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 page 28 of the 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))

Annette L Welton

Patrick L Welton

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

NONE

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

Check here ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed

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 Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a <i>Paid during the year</i>				
AG AGAINST HUNGER 820 PARK ROW 707 SALINAS CA 93901	N/A	509(a)(1)	General & Unrestricted	1,000
BOYS & GIRLS CLUBS OF MONTEREY COUNTY PO BOX 97 SEASIDE CA 93955	N/A	509(a)(1)	General & Unrestricted	1,000
BREAST CANCER ASSISTANCE GROUP OF THE MONTEREY PENINSULA, PO BOX 221582 CARMEL CA 93922	N/A	509(a)(1)	General & Unrestricted	5,000
CARMEL BACH FESTIVAL INC PO BOX 575 CARMEL CA 93921	N/A	509(a)(2)	General & Unrestricted	5,000
CARMEL YOUTH CENTER INC 4TH TORRES CARMEL CA 93921	N/A	509(a)(2)	General & Unrestricted	1,000
CARMEL-BY-THE SEA PUBLIC LIBRARY FDN PO BOX 2042 CARMEL CA 93921	N/A	509(a)(1)	General & Unrestricted	1,000
CATO INSTITUTE 1000 MASSACHUSETTS AVE NW WASHINGTON DC 20001	N/A	509(a)(1)	Patron Campaign	1,000
CHAMBER MUSIC MONTEREY BAY PO BOX 221458 CARMEL CA 93922	N/A	509(a)(2)	General & Unrestricted	500
CHURCH IN THE FOREST PO BOX 1027 PEBBLE BEACH CA 93953	N/A	509(a)(1)	Dr Bill Rolland's New Classroom	10,000
COMMUNITY HOSPITAL FOUNDATION PO BOX HH MONTEREY CA 93942	N/A	509(a)(1)	General & Unrestricted	15,000
CONSERVATION INTERNATIONAL FOUNDATION 2011 CRYSTAL DR, STE 500 ARLINGTON VA 22202	N/A	509(a)(1)	Coral Reef Protector Campaign	5,000
Total See Attached Statement			3a	223,500
b <i>Approved for future payment</i>				
Total			3b	0

Form 990-PF, Part I, Line 11 - Other Income

		TOTAL:	186,423	186,423
			(a) Revenue per Books	(b) Net Investment Income
1	WELTON CAPITAL MARKETS FUND LLC K-1 Pass-Through Share of Partnership Income/(Loss)		186,423	186,423
2				
3				
4				
5				
6				
7				
8				
9				
10				

Form 990-PF, Part I, Line 23 - Other Expenses

TOTAL:					12,666	1,055	0	11,611
		(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purpose			
1	Administrative Fees	11,586	0	0	11,586			
2	Bank Charges	250	250		0			
3	K-1 pass-through WELTON CAPITAL MARKETS FUND LLC	805	805		0			
4	State or Local Filing Fees	25	0		25			
5								
6								
7								
8								
9								
10								

Form 990-PF, Part II, Line 13 - Investments - Other

		TOTAL:	2,506,420	(c) Fair Market Value
	Asset Description		(b) Book Value	
1	WELTON CAPITAL MARKETS FUND LLC		2,506,420	2,387,961
2				
3				
4				
5				
6				
7				
8				
9				
10				

Form 990-PF, Part VIII, Line 1 - Compensation of Officers, Directors, Trustees and Foundation Managers

	Name	Street	City	State	Zip Code	Title	Avg Hrs	Comp	Benefits	Expense-Account
1	Annette L Welton	c/o Foundation Source 501 Silverside Road Suite 123	Wilmington	DE	19809	Vice President / Director	1	0	0	0
2	Patrick L Welton	c/o Foundation Source 501 Silverside Road Suite 123	Wilmington	DE	19809	President / Director / Secretary	1	0	0	0
3										
4										
5										
6										
7										
8										
9										
10										

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

Recipient(s) paid during the year

Name

FREEDOM FIELDS USA

Street

PO BOX 221820

City

CARMEL

State

CA

Zip Code

93922

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

General & Unrestricted

Amount

10,000

Name

FRIENDS OF CARMEL UNIFIED SCHOOLS

Street

PO BOX 223842

City

CARMEL

State

CA

Zip Code

93922

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

General & Unrestricted

Amount

1,000

Name

GREATER BAY AREA MAKE A WISH FDN INC

Street

55 HAWTHORNE ST STE 800

City

SAN FRANCISCO

State

CA

Zip Code

94105

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

General & Unrestricted

Amount

5,000

Name

HERITAGE FOUNDATION

Street

214 MASSACHUSETTS AVE NE

City

WASHINGTON

State

DC

Zip Code

20002

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

President's Club Campaign

Amount

1,000

Name

HOOVER INSTITUTION -STANFORD UNIVERSITY

Street

434 GALVEZ MALL

City

STANFORD

State

CA

Zip Code

94305

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

Shelby Steele Project

Amount

10,000

Name

INTERNATIONAL HEALTH EMISSARIES INC

Street

8 SOMMERSET RISE

City

MONTEREY

State

CA

Zip Code

93940

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

General & Unrestricted

Amount

2,000

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

Recipient(s) paid during the year

Name

MONTEREY BAY AQUARIUM FDN

Street

886 CANNERY ROW

City

MONTEREY

State

CA

Zip Code

93940

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(2)

Purpose of grant/contribution

Leadership Council Of The Packard's Circle

Amount

10,000

Name

MONTEREY COUNTY SYMPHONY ASSN

Street

2560 GARDEN RD

City

MONTEREY

State

CA

Zip Code

93940

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

General & Unrestricted

Amount

1,000

Name

MONTEREY PENINSULA COLLEGE FDN

Street

980 FREMONT BLVD STE 130

City

MONTEREY

State

CA

Zip Code

93940

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

General & Unrestricted

Amount

1,000

Name

PANETTA INSTITUTE FOR PUBLIC POLICY

Street

100 CAMPUS CENTER BLDG 86E

City

SEASIDE

State

CA

Zip Code

93955

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

Lecture Series Sponsor Campaign

Amount

7,500

Name

ROBERT LOUIS STEVENSON SCHOOL

Street

3152 FOREST LAKE RD

City

PEBBLE BEACH

State

CA

Zip Code

93953

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

Track Equipment Project

Amount

2,000

Name

SALVATION ARMY

Street

16130 NORTHLAND DR

City

SOUTHFIELD

State

MI

Zip Code

48075

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

Monterey Peninsula Corps

Amount

1,000

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

Recipient(s) paid during the year

Name

SAN JOSE WIND SYMPHONY

Street

6590 GILLIS DR

City

SAN JOSE

State

CA

Zip Code

95120

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(2)

Purpose of grant/contribution

General & Unrestricted

Amount

2,500

Name

SANTA CLARA VALLEY AMERICAN RED CROSS

Street

2731 N 1ST ST

City

SAN JOSE

State

CA

Zip Code

95134

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

Care And Comfort - Operation Yellow Ribbon Monterey

Amount

1,000

Name

SIERRA CLUB FOUNDATION

Street

85 2ND ST STE 750

City

SAN FRANCISCO

State

CA

Zip Code

94105

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

John Muir Society Benefactor Campaign

Amount

5,000

Name

SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS OF MONTEREY CTY

Street

PO BOX 3058

City

MONTEREY

State

CA

Zip Code

93942

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(2)

Purpose of grant/contribution

General & Unrestricted

Amount

1,000

Name

STANFORD UNIVERSITY

Street

326 GALVEZ ST

City

STANFORD

State

CA

Zip Code

94305

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

Stanford Institute for Neuro-Innovation and Translational Neurosciences

Amount

10,000

Name

STANFORD UNIVERSITY

Street

326 GALVEZ ST

City

STANFORD

State

CA

Zip Code

94305

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

Henry S Kaplan Resident Research Fund within the Department of Radiation Oncology

Amount

1,000

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

Recipient(s) paid during the year

Name

THE STANFORD FUND OF STANFORD UNIVERSITY

Street

OFC OF DEVELOPMENT, ARRILLAGA ALUMNI CENTER, 32

City

STANFORD

State

CA

Zip Code

94305

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

Annual Fund

Amount

10,000

Name

THE UCLA FOUNDATION

Street

10920 WILSHIRE BLVD STE 900

City

LOS ANGELES

State

CA

Zip Code

90024

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

These Grant Funds Are To Be Governed By The Pledge Letter That Was Previously Agreed Upon

Amount

81,000

Name

TRUSTEES OF DARTMOUTH COLLEGE

Street

6068 BLUNT ALUMNI CENTER STE 103

City

HANOVER

State

NH

Zip Code

03755

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

Dartmouth Parents and Grandparents - For The College's Highest Priorities Fund

Amount

2,500

Name

UNIVERSITY OF WISCONSIN FOUNDATION

Street

1848 UNIVERSITY AVE

City

MADISON

State

WI

Zip Code

53708

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

Welton Family Great People L&S Scholarship

Amount

10,000

Name

WORLDWIDE FISTULA FUND INC

Street

P O BOX 27879

City

SAINT LOUIS

State

MO

Zip Code

63146

Foreign Country**Relationship**

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

Grant Funds Should Be Applied To Your Organization's Greatest Needs As Determined By Your BOD

Amount

2,500

Name**Street****City****State****Zip Code****Foreign Country****Relationship****Foundation Status****Purpose of grant/contribution****Amount**

0