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Form 990-PF

Department of the Treasury
Internal Revenue ServiceReturn of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

OMB No 1545-0052

2010

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

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

HARTSELLE SCHOLARSHIP FOUNDATION
C/O WHSQ&LNumber and street (or P O box number if mail is not delivered to street address)
1323 STRATFORD ROAD SE

Room/suite

City or town, state, and ZIP code

DECATUR AL 35601

H Check type of organization Section 501(c)(3) exempt private foundation Section 4947(a)(1) nonexempt charitable trust Other taxable private foundationI Fair market value of all assets at
end of year (from Part II, col. (c),
line 16) ► \$ 1,396,088J Accounting method Cash Accrual Other (specify)

(Part I, column (d) must be on cash basis)

A Employer identification number

63-1045867

B Telephone number (see page 10 of the instructions)

C If exemption application is pending, check here ► D 1. Foreign organizations, check here ► 2. Foreign organizations meeting the
85% test, check here and attach computation ► E If private foundation status was terminated under
section 507(b)(1)(A), check here ► 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 ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B			
	3 Interest on savings and temporary cash investments			
	4 Dividends and interest from securities	42,626	42,626	42,626
	5a Gross rents			
	b Net rental income or (loss)	-622		
	6a Net gain or (loss) from sale of assets not on line 10			
	b Gross sales price for all assets on line 6a	-622		
	7 Capital gain net income (from Part IV, line 2)		0	
	8 Net short-term capital gain			0
	9 Income modifications			
	10a Gross sales less returns & allowances			
	b Less Cost of goods sold			
	c Gross profit or (loss) (attach schedule)			
	11 Other income (attach schedule)	1,989	1,989	1,989
	12 Total. Add lines 1 through 11	43,993	44,615	44,615
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0		
	14 Other employee salaries and wages			
	15 Pension plans, employee benefits			
	16a Legal fees (attach schedule)			
	b Accounting fees (attach schedule)			
	c Other professional fees (attach schedule)	9,006	9,006	9,006
	17 Interest			
	18 Taxes (attach schedule) (see page 14 of the instructions)	520	520	520
	19 Depreciation (attach schedule) and depletion			
	20 Occupancy			
	21 Travel, conferences, and meetings			
	22 Printing and publications			
	23 Other expenses (att sch)			
	24 Total operating and administrative expenses.	9,526	9,526	9,526
	Add lines 13 through 23			0
	25 Contributions, gifts, grants paid	163,475		163,475
	26 Total expenses and disbursements. Add lines 24 and 25	173,001	9,526	9,526
	27 Subtract line 26 from line 12	-129,008		
	a Excess of revenue over expenses and disbursements			
	b Net investment income (if negative, enter -0-)		35,089	
	c Adjusted net income (if negative, enter -0-)			35,089

Form 990-PF (2010) **HARTSELLE SCHOLARSHIP FOUNDATION****63-1045867**

Page 2

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	(b) Book Value	(c) Fair Market Value	
	1 Cash—non-interest-bearing			38,405		16,473		16,473
	2 Savings and temporary cash investments							
	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)		0					
	7 Other notes and loans receivable (att schedule) ►							
	Less allowance for doubtful accounts ►							
	8 Inventories for sale or use							
	9 Prepaid expenses and deferred charges							
	10a Investments—U S and state government obligations (attach schedule)	STMT 4		615,303		655,303		664,654
	b Investments—corporate stock (attach schedule)	SEE STMT 5		898,182		751,106		714,961
	c Investments—corporate bonds (attach schedule)							
	11 Investments—land, buildings, and equipment basis ►							
	Less accumulated depreciation (attach sch) ►							
	12 Investments—mortgage loans							
	13 Investments—other (attach schedule)							
	14 Land, buildings, and equipment basis ►							
	Less accumulated depreciation (attach sch) ►							
	15 Other assets (describe ►)					
	16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)			1,551,890		1,422,882		1,396,088
	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 ►)	0		0		
	23 Total liabilities (add lines 17 through 22)							
	Foundations that follow SFAS 117, check here ► <input type="checkbox"/>							
	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 ► <input checked="" type="checkbox"/>							
	and complete lines 27 through 31.							
	27 Capital stock, trust principal, or current funds			1,551,890		1,422,882		
	28 Paid-in or capital surplus, or land, bldg, and equipment fund							
	29 Retained earnings, accumulated income, endowment, or other funds							
	30 Total net assets or fund balances (see page 17 of the instructions)			1,551,890		1,422,882		
	31 Total liabilities and net assets/fund balances (see page 17 of the instructions)			1,551,890		1,422,882		

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	1,551,890
2 Enter amount from Part I, line 27a	2	-129,008
3 Other increases not included in line 2 (itemize) ►	3	
4 Add lines 1, 2, and 3	4	1,422,882
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	1,422,882

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Form 990-PF (2010) **HARTSELLE SCHOLARSHIP FOUNDATION**
Part IV Capital Gains and Losses for Tax on Investment Income**63-1045867**

Page 3

(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 SEE WORKSHEET					
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					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) 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					
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	-622	
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

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2009	75,775	1,248,375	0.060699
2008	102,885	1,369,650	0.075118
2007	86,639	1,594,104	0.054350
2006	64,273	1,520,541	0.042270
2005	90,169	1,520,725	0.059293

2 Total of line 1, column (d)

2 0.291730

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 0.058346

4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5

4 1,369,768

5 Multiply line 4 by line 3

5 79,920

6 Enter 1% of net investment income (1% of Part I, line 27b)

6 351

7 Add lines 5 and 6

7 80,271

8 Enter qualifying distributions from Part XII, line 4

8 163,475

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter (attach copy of letter if necessary—see instructions)	1	351
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		
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	351
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	0
5	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-	5	351
6	Credits/Payments		
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments Add lines 6a through 6d	7	
8	Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	351
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be Credited to 2011 estimated tax ►	11	
	Refunded ►		

Part VII-A Statements Regarding Activities

1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	Yes	No
1b	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	
1c	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	
4a	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?		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		
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	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ► AL		
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		
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	<input checked="" type="checkbox"/>
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12	<input checked="" type="checkbox"/>
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	<input checked="" type="checkbox"/>
14	The books are in care of ► WELLS FARGO WEALTH MANAGEMENT ONE WEST FOURTH STREET	Telephone no ► 336-747-8170	
	Located at ► WINSTON SALEM	NC	ZIP+4 ► 27101
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	<input type="checkbox"/>
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	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		
1a	During the year did the foundation (either directly or indirectly)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here	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?	N/A
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? If "Yes," list the years ► 20 , 20 , 20 , 20	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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)	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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)	N/A
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	
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?	<input checked="" type="checkbox"/>

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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	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)? Organizations relying on a current notice regarding disaster assistance check here	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	N/A	5b
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? If "Yes," attach the statement required by Regulations section 53.4945-5(d)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	N/A	
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	6b	X
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If Yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	N/A	7b

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
GLENN THOMPSON 709 CELIA DRIVE	HARTSELLE AL 35640	CHAIRMAN 5.00	0	0
LARRY MADISON 901 HIGHWAY 31 SW	HARTSELLE AL 35640	VICE CHAIR 2.00	0	0
JEFFREY GRAY 2006 SUNSET DRIVE NW	HARTSELLE AL 35640	SECRETARY 1.00	0	0
WILLIAM PUCKETT 107 RAILROAD STREET SW	HARTSELLE AL 35640	TREASURER 1.00	0	0

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

► 0

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 SEE STATEMENT 6	163,475
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 N/A	
2	
All other program-related investments See page 24 of the instructions	
3	

Total. Add lines 1 through 3 ►

Form 990-PF (2010)

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	1,363,188	
b	Average of monthly cash balances	1b	27,439	
c	Fair market value of all other assets (see page 25 of the instructions)	1c	0	
d	Total (add lines 1a, b, and c)	1d	1,390,627	
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0	
2	Acquisition indebtedness applicable to line 1 assets	2	0	
3	Subtract line 2 from line 1d	3	1,390,627	
4	Cash deemed held for charitable activities Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	20,859	
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	1,369,768	
6	Minimum investment return. Enter 5% of line 5	6	68,488	

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	68,488
2a	Tax on investment income for 2010 from Part VI, line 5	2a	351
b	Income tax for 2010 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	351
3	Distributable amount before adjustments Subtract line 2c from line 1	3	68,137
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	68,137
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	68,137

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	163,475
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the	3a	
a	Suitability test (prior IRS approval required)	3b	
b	Cash distribution test (attach the required schedule)	4	163,475
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	5	
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)	6	351
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	163,124

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				68,137
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only				
b Total for prior years 20 ____ , 20 ____ , 20 ____				
3 Excess distributions carryover, if any, to 2010				
a From 2005	14,934			
b From 2006	27,787			
c From 2007	8,890			
d From 2008	36,082			
e From 2009	14,136			
f Total of lines 3a through e	101,829			
4 Qualifying distributions for 2010 from Part XII, line 4 ► \$ 163,475				
a Applied to 2009, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)				
d Applied to 2010 distributable amount				68,137
e Remaining amount distributed out of corpus	95,338			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:	197,167			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions				
e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				
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)	14,934			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	182,233			
10 Analysis of line 9				
a Excess from 2006	27,787			
b Excess from 2007	8,890			
c Excess from 2008	36,082			
d Excess from 2009	14,136			
e Excess from 2010	95,338			

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

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

b Check box to indicate whether the foundation is a private operating foundation described in section 509(a)(2)(B).

4942(j)(3) or

4942(j)(5)

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))

N/A

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.

SWITCHES
N/A

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.

THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE PERSON TO WHOM APPLICATION

WELLS FARGO WEALTH HIGH 330 747 8175
ONE WEST FOURTH STREET WINSTON SALEM NC 27101

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

APPLICATIONS ARE PROVIDED BY THE FOUNDATION

c Any submission deadlines

any submission go.

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

SEE STATEMENT 7

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year VARIOUS	NONE		COLLEGE TUITION	163,475
Total			► 3a	163,475
b Approved for future payment N/A				
Total			► 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514	(e) Related or exempt function income (See page 28 of the instructions)
		(a) Business code	(b) Amount	(c) Exclusion code	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities					42,626
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					1,989
8 Gain or (loss) from sales of assets other than inventory					-622
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)			0	0	43,993
13 Total Add line 12, columns (b), (d), and (e)				13	43,993

(See worksheet in line 13 instructions on page 29 to verify calculations)

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

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

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting foundation to a noncharitable exempt organization of

(1) Cash

(2) Other assets

b Other transactions

(1) Sales of assets to a noncharitable exempt organization

(2) Purchases of assets from a noncharitable exempt organization

(3) Rental of facilities, equipment, or other assets

(4) Reimbursement arrangements

(5) Loans or loan guarantees

(6) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

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

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
N/A			

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

Yes No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		
	</	

Sign
Here

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

Signature of officer or trustee

Dat

CHAIRMAN

Title

Paid Preparer Use Only	Print/Type preparer's name CHARLES K. QUINN	Preparer's signature CHARLES K. QUINN	Date 09/28/11	Check <input type="checkbox"/> if self-employed
	Firm's name ► WEAR, HOWELL, STRICKLAND, QUINN & LAW, LLC	PTIN P00000836		
	Firm's address ► 1323 STRATFORD RD SE DECATUR, AL 35601-6029	Firm's EIN ► 63-0510739		
		Phone no 256-353-8902		

Form 990-PF (2010)

Capital Gains and Losses for Tax on Investment Income

Form 990-PF

2010

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

Name

HARTSELLE SCHOLARSHIP FOUNDATION
C/O WHSQ&L

Employer Identification Number

63-1045867

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co		(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
(1) CAPITAL GAIN DISTRIBUTIONS				
(2) ISHARES TR RUSSELL MIDCAP				
(3) T ROWE PRICE REAL ESTATE				
(4) SSGA EMERGING MARKETS				
(5) HARBOR SMALL CAP				
(6) WELLS FARGO ADV LG CAP				
(7) HARBOR SMALL CAP				
(8) GOLDMAN SACHS				
(9) ISHARES TR RUSSELL MIDCAP				
(10) DREYFUS/THE BOSTON CO				
(11)				
(12)				
(13)				
(14)				
(15)				

(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)
(1) 994			994
(2) 761			761
(3) -3,894			-3,894
(4) -690			-690
(5) 397			397
(6) 1,754			1,754
(7) 1,322			1,322
(8) -5,054			-5,054
(9) 3,101			3,101
(10) 687			687
(11)			
(12)			
(13)			
(14)			
(15)			

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	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(1)			994
(2)			761
(3)			-3,894
(4)			-690
(5)			397
(6)			1,754
(7)			1,322
(8)			-5,054
(9)			3,101
(10)			687
(11)			
(12)			
(13)			
(14)			
(15)			

10692 Hartselle Scholarship Foundation
63-1045867
FYE: 12/31/2010

Federal Statements

9/28/2011 11:30 AM

Statement 1 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
NONDIVIDEND DISTRIBUTIONS	\$ 1,989	\$ 1,989	\$ 1,989
TOTAL	\$ 1,989	\$ 1,989	\$ 1,989

Statement 2 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net
AGENCY FEES	\$ 8,875	\$ 8,875	\$ 8,875
COMMISSIONS	132	132	132
ROUNDING	-1	-1	-1
TOTAL	\$ 9,006	\$ 9,006	\$ 9,006

Statement 3 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net
2010 FOREIGN TAXES	\$ 520	\$ 520	\$ 520
TOTAL	\$ 520	\$ 520	\$ 520

10692 Hartselle Scholarship Foundation
63-1045867
FYE: 12/31/2010

Federal Statements

9/28/2011 11:30 AM

Statement 4 - Form 990-PF, Part II, Line 10a - US and State Government Investments

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>	<u>Fair Market Value</u>
SEE ATTACHED SCHEDULE	\$ 615,303	\$ 655,303	COST	\$ 664,654
TOTAL	\$ 615,303	\$ 655,303		\$ 664,654

Statement 5 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>	<u>Fair Market Value</u>
SEE ATTACHED SCHEDULE	\$ 898,182	\$ 751,106	COST	\$ 714,961
TOTAL	\$ 898,182	\$ 751,106		\$ 714,961

Account Statement For:
HARTSELLE FOUN

**WELLS
FARGO**

Period Covered: June 1, 2010 - December 31, 2010

Account Number 5125897211

2010 Form 990-PF Part II
Hartselle Scholarship Foundation
EIN 63-1045867

ASSET DETAIL

ASSET DESCRIPTION	QUANTITY	PRICE	MARKET VALUE AS OF 12/31/10	COST BASIS	UNREALIZED GAIN/LOSS	CURRENT YIELD	ACCRUED INCOME
MONEY MARKET							
WELLS FARGO ADVANTAGE TREASURY PLUS MONEY MARKET INST - #793 <i>Asset held in Invested Income Portfolio</i>	12,166.610		\$12,166.61	\$12,166.61	\$0.00	0.01%	\$0.02
WELLS FARGO ADVANTAGE TREASURY PLUS MONEY MARKET INST - #793 <i>Asset held in Invested Income Portfolio</i>	1,402.560		1,402.56	1,402.56	0.00	0.01	0.00
WELLS FARGO ADVANTAGE TREASURY PLUS MONEY MARKET INST - #793 <i>Asset held in Invested Income Portfolio</i>	0.000		0.00	0.00	0.00	0.00	0.01
WELLS FARGO ADVANTAGE TREASURY PLUS MONEY MARKET SERVICE - #454 <i>Asset held in Invested Income Portfolio</i>	0.000		0.00	0.00	0.00	0.00	0.02
Total Money Market			\$13,569.17	\$13,569.17	\$0.00	0.01%	\$0.05
TOTAL CASH & EQUIVALENTS							
			<u>\$13,569.17</u>	<u>\$13,569.17</u>	<u>\$0.00</u>	<u>0.01%</u>	<u>\$0.05</u>
ASSET DESCRIPTION							
DOMESTIC MUTUAL FUNDS							
DODGE & COX INCOME FD COM CUSIP: 256210105	17,542.194	\$13.230	\$232,083.23	\$222,435.02	\$9,648.21	4.88%	\$0.00
PIMCO HIGH YIELD FUND INSTITUTIONAL SHARES CUSIP: 693390841	6,556.887	9.300	60,979.05	65,700.00	-4,720.95	7.66	0.00
PIMCO LOW DURATION II-INSTL 107 CUSIP: 693390791	11,451.786	9.970	114,174.31	110,000.00	4,174.31	1.92	0.00
PIONEER HIGH YIELD FUND-CLASS Y CUSIP: 72369B406	5,727.987	10.160	58,196.35	65,700.00	-7,503.65	5.03	0.00
VANGUARD INFLATION PROTECTION SECURITIES FUND #119 CUSIP: 922031869	4,837.929	13.000	62,893.08	57,571.36	5,321.72	2.44	0.00
Total Domestic Mutual Funds			\$528,326.02	\$521,406.38	\$6,919.64	4.28%	\$0.00

Account Statement For:
HARTSELLE FOUN

WELLIS
FARGO

Period Covered: June 1, 2010 - December 31, 2010

Account Number 5125897211 2010 Form 990-PF Part II
Hartselle Scholarship Foundation

ASSET DETAIL *(continued)*

ASSET DESCRIPTION	QUANTITY	PRICE	MARKET VALUE AS OF 12/31/10	COST BASIS	UNREALIZED GAIN/LOSS	CURRENT YIELD	ACCRUED INCOME
INTERNATIONAL MUTUAL FUNDS							
PIMCO EMERGING MARKETS BOND FUND- INSTL #137 CUSIP: 693391559	6,636.772	\$11.100	\$73,668.17	\$74,000.00	-\$331.83	4.89%	\$0.00
PIMCO FOREIGN BOND FUND USD HEDGED INSTL #103 CUSIP: 693390882	6,007.685	10.430	62,660.15	59,896.62	2,763.53	2.66	0.00
Total International Mutual Funds			\$136,328.32	\$133,896.62	\$2,431.70	3.87%	\$0.00
Total FIXED INCOME			\$664,654.34	\$655,303.00	\$9,351.34	0.00%	\$0.00
ASSET DESCRIPTION	QUANTITY	PRICE	MARKET VALUE AS OF 12/31/10	COST BASIS	UNREALIZED GAIN/LOSS	CURRENT YIELD	ACCRUED INCOME
DOMESTIC MUTUAL FUNDS							
DREYFUS/THE BOSTON COMPANY SMALL CAP GROWTH FUND CLASS I #6941 SYMBOL: SSETX CUSIP: 26203E836	417.349	\$54.970	\$22,941.67	\$20,286.61	\$2,655.06	0.00%	\$0.00
GOLDMAN SACHS LARGE CAP VALUE FUND INSTITUTIONAL SHARES #1216 SYMBOL: GSIX CUSIP: 38142Y773	8,858.202	11.890	105,324.02	125,946.19	-20,622.17	0.98	0.00
HARBOR SMALL-CAP VALUE FUND-CLASS I #2022 SYMBOL: HASCX CUSIP 411511843	946.485	19.590	18,541.64	15,178.54	3,363.10	0.39	0.00
ISHARES TR RUSSELL MIDCAP INDEX FD SYMBOL: IWR CUSIP: 464287499	897.000	101.750	91,269.75	72,560.24	18,709.51	1.28	0.00

STATEMENTS AT

EIN 43-1045847

Account Statement For:
HARTSELLE FOUN

Period Covered: June 1, 2010 - December 31, 2010

WELL'S FARGO
Hartselle Scholarship Foundation
EIN 63-1045867

ASSET DETAIL (continued)

ASSET DESCRIPTION	QUANTITY	PRICE	MARKET VALUE AS OF 12/31/10	COST BASIS	UNREALIZED GAIN/LOSS	CURRENT YIELD	ACCRUED INCOME
DOMESTIC MUTUAL FUNDS (continued)							
SSGA EMERGING MARKETS FUND CLASS S #1510 SYMBOL: SEMSX CUSIP 784924425	3,341.427	22.640	75,649.91	67,910.08	7,739.83	1.86	0.00
WELLS FARGO ADVANTAGE INTERNATIONAL EQUITY FD - INST #4117 SYMBOL: WFNX CUSIP 94984B348	8,259.177	10.900	90,025.03	104,072.67	-14,047.64	0.84	0.00
WELLS FARGO ADVANTAGE STRATEGIC LARGE CAP GROWTH FUND CLASS INST #440 SYMBOL: ESGIX CUSIP: 94985D277	3,564.376	30.730	109,533.27	94,594.38	14,938.89	0.20	0.00
Total Domestic Mutual Funds			\$513,285.29	\$500,548.71	\$12,736.58	0.91%	\$0.00
Total EQUITIES			① \$513,285.29	② \$500,548.71	\$12,736.58	0.91%	\$0.00

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PRIVATE CLIENT SERVICES

Account Statement For:
HARTSELLE FOUN

**WELL'S
FARGO**

Period Covered: June 1, 2010 - December 31, 2010

Account Number 5125897211

2010 Form 990-PF Part II
Hartselle Scholarship Foundation

ASSET DETAIL (continued)

ASSET DESCRIPTION	QUANTITY	PRICE	MARKET VALUE AS OF 12/31/10	COST BASIS	UNREALIZED GAIN/LOSS	CURRENT YIELD	ACCRUED INCOME
REAL ASSET FUNDS							
MORGAN STANLEY INSTITUTIONAL INTERNATIONAL REAL ESTATE PORTFOLIO CLASS I #8001	2,721,386	\$18.850	\$51,298.13	\$75,600.00	-\$24,301.87	3.28%	\$0.00
SYMBOL MSUAX CUSIP 617441317							
PIMCO COMMODITY REAL RETURN STRATEGY FUND-CLASS I #45	6,043,567	9.290	56,144.74	75,600.00	-19,455.26	8.96	0.00
SYMBOL PCRIX CUSIP 722005667							
TRINITY PRICE REAL ESTATE FUND #122 SYMBOL TRREX CUSIP 779919109	5,384,706	17.500	94,232.36	99,357.02	-5,124.66	2.40	0.00
Total Real Asset Funds			\$201,675.23	\$250,557.02	-\$48,881.79	4.45%	\$0.00
Total REAL ASSETS			① \$201,675.23	② \$250,557.02	-\$48,881.79	4.45%	\$0.00

ACCOUNT VALUE AS OF 12/31/10	COST BASIS	UNREALIZED GAIN/LOSS	ACCRUED INCOME
\$1,393,184.03	\$1,419,977.90	-\$26,793.87	\$0.05
TOTAL ASSETS			
① 714,960.52 ② 751,105.73 Line 10b			

Statements 48S

Federal Statements

Statement 6 - Form 990-PF, Part IX-A, Line 1 - Summary of Direct Charitable Activities

Description

THE FOUNDATION AWARDS SCHOLARSHIPS TO QUALIFYING APPLICANTS GRADUATING FROM HARTSELLE HIGH SCHOOL. THE SCHOLARSHIPS ARE FOR THE FULL TENURE OF THEIR COLLEGE ENROLLMENT. AWARDS ARE PAID DIRECTLY TO THE COLLEGES AND UNIVERSITIES ON BEHALF OF THE RECIPIENTS.

Federal Statements

Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description

APPLICATIONS ARE PROVIDED BY THE FOUNDATION

Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description

APRIL 1ST

Statement 7 - Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description

TUITION SCHOLARSHIPS ARE RESTRICTED TO GRADUATES OF
HARTSELLE HIGH SCHOOL IN HARTSELLE, AL.