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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

OMB No 1545-0052

2011

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

For calendar year 2011 or tax year beginning

, and ending

Name of foundation

A Employer identification number

Welsh Family Foundation**20-6709966**

Number and street (or P.O. box number if mail is not delivered to street address)

Room/suite

B Telephone number

265 Stewart Drive

City or town, state, and ZIP code

Merritt Island, FL 32952

G Check all that apply:

☐ Initial return☐ Initial return of a former public charity☐ Final return☐ Amended return☐ Address change☐ Name change

H Check type of organization:

☒ Section 501(c)(3) exempt private foundation☐ Section 4947(a)(1) nonexempt charitable trust☐ Other taxable private foundation

I Fair market value of all assets at end of year

J Accounting method:

☒ Cash☐ Accrual

(from Part II, col (c), line 16)

☐ Other (specify)\$ **949,537.** (Part I, column (d) must be on cash basis.)**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).)

(a) Revenue and expenses per books

(b) Net investment income

(c) Adjusted net income

(d) Disbursements for charitable purposes (cash basis only)

1 Contributions, gifts, grants, etc., received

43,115.**N/A**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

26,537.**25,851.****Statement 1**

5a Gross rents

b Net rental income or (loss)

6a Net gain or (loss) from sale of assets not on line 10

16,305.

b Gross sales price for all assets on line 6a

354,896.

7 Capital gain net income (from Part IV, line 2)

16,305.

8 Net short-term capital gain

9 Income modifications

10a Gross sales less returns and allowances

b Less: Cost of goods sold

c Gross profit or (loss)

11 Other income

20.**20.****Statement 2**

12 Total Add lines 1 through 11

85,977.**42,176.**

13 Compensation of officers, directors, trustees, etc

0.**0.****0.**

14 Other employee salaries and wages

15 Pension plans, employee benefits

16a Legal fees

b Accounting fees

c Other professional fees

Stmt 3**8,847.****8,847.****0.**

17 Interest

18 Taxes

Stmt 4**169.****169.****0.**

19 Depreciation and depletion

20 Occupancy

21 Travel, conferences, and meetings

22 Printing and publications

23 Other expenses

Stmt 5**14.****14.****0.**

24 Total operating and administrative expenses Add lines 13 through 23

9,030.**9,030.****0.**

25 Contributions, gifts, grants paid

83,000.**83,000.**

26 Total expenses and disbursements Add lines 24 and 25

92,030.**9,030.****83,000.**

27 Subtract line 26 from line 12

a Excess of revenue over expenses and disbursements

<6,053.>

b Net investment income (if negative, enter -0-)

33,146.

c Adjusted net income (if negative, enter -0-)

N/A123501
12-02-11

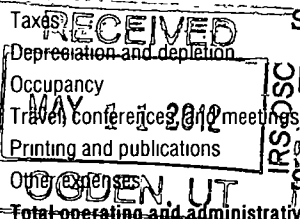
LHA For Paperwork Reduction Act Notice, see instructions.

Form **990-PF** (2011)

SCANNED MAY 29 2012

Revenue

Operating and Administrative Expenses



Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only

		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	67,104.	40,659.	40,659.
	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			
	7 Other notes and loans receivable ▶			
	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			
	b Investments - corporate stock Stmt 6	428,756.	436,406.	502,586.
	c Investments - corporate bonds			
Liabilities	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other Stmt 7	369,857.	380,621.	406,292.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers)	865,717.	857,686.	949,537.
	17 Accounts payable and accrued expenses			
	18 Grants payable			
Net Assets or Fund Balances	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	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 ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted	865,717.	857,686.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> 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			
30 Total net assets or fund balances	865,717.	857,686.		
31 Total liabilities and net assets/fund balances	865,717.	857,686.		

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	865,717.
2 Enter amount from Part I, line 27a	2	<6,053.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	859,664.
5 Decreases not included in line 2 (itemize) ▶ Unrealized gain/loss on investments	5	1,978.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	857,686.

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			
b See Attached Statements			
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 354,896.		338,591.	16,305.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(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))
a			
b			
c			
d			
e			16,305.

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	16,305.
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). If (loss), enter -0- in Part I, line 8	3	N/A

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	43,820.	906,819.	.048323
2009	31,100.	836,475.	.037180
2008	16,000.	1,106,574.	.014459
2007	109,340.	1,314,110.	.083205
2006	60,000.	1,355,934.	.044250

2 Total of line 1, column (d)	2	.227417
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	.045483
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	964,918.
5 Multiply line 4 by line 3	5	43,887.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	331.
7 Add lines 5 and 6	7	44,218.
8 Enter qualifying distributions from Part XII, line 4	8	83,000.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		1	331.
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		2	0.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		3	331.
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
3 Add lines 1 and 2		5	331.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		6a	180.
5 Tax based on investment income Subtract line 4 from line 3. If zero or less, enter -0-		6b	
6 Credits/Payments:		6c	
a 2011 estimated tax payments and 2010 overpayment credited to 2011		6d	
b Exempt foreign organizations - tax withheld at source		7	180.
c Tax paid with application for extension of time to file (Form 8868)		8	
d Backup withholding erroneously withheld		9	151.
7 Total credits and payments. Add lines 6a through 6d		10	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached		11	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed			
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid			
11 Enter the amount of line 10 to be: Credited to 2012 estimated tax <input checked="" type="checkbox"/> Refunded <input type="checkbox"/>			

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see 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
2 Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0.		
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		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	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> <u>FL</u>		
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 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? 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

N/A

Form 990-PF (2011)

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address ► <u>N/A</u>				
14	The books are in care of ► <u>Gerard Zopfi</u> Telephone no. ► <u>203-656-5500</u>			
Located at ► <u>c/o HHG 23 Old Kings Highway South, Darien, CT</u>		ZIP+4 ► <u>06820</u>		
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	N/A	
16	At any time during calendar year 2011, 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?	16	Yes	No
See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►				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? <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 instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/> N/A	1b	
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 2011? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If "Yes," list the years ► _____ , _____ , _____			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	2b	
If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► _____ , _____ , _____			
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 2011 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 2011) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	3b	
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 2011?	4b	X

Form 990-PF (2011)

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)?

☐ Yes ☒ No

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

☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

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?

N/A

☐ 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?

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.

(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
Jacqueline P. Welsh	Grantor/Trustee			
265 Stewart Drive				
Merritt Island, FL 32952	3.00	0.	0.	0.
Nancy Lynne Welsh	Trustee			
615 Lake Boone Trail				
615 Lake Boone	1.00	0.	0.	0.
Raleigh, NC 27607				
David A. Welsh	Trustee			
337 Southhampton Drive				
Indialantic, FL 32903	1.00	0.	0.	0.
Steven M. Welsh	Trustee			
5217 Atherton Bdg Road				
Raleigh, NC 27613	1.00	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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

Form 990-PF (2011)

Part VIII**Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** (continued)**3** Five highest-paid independent contractors for professional services. 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		0

Part IX-A Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments

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

Form 990-PF (2011)

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	923,310.
b	Average of monthly cash balances	1b	56,302.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	979,612.
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	979,612.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	14,694.
5	Net value of noncharitable-use assets Subtract line 4 from line 3. Enter here and on Part V, line 4	5	964,918.
6	Minimum investment return Enter 5% of line 5	6	48,246.

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

1	Minimum investment return from Part X, line 6	1	48,246.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	331.
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	331.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	47,915.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	47,915.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	47,915.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	83,000.
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	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	83,000.
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	5	331.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	82,669.

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.

Form 990-PF (2011)

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				47,915.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010	1,391.			
f Total of lines 3a through e	1,391.			
4 Qualifying distributions for 2011 from Part XII, line 4: ► \$ 83,000.				
a Applied to 2010, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions) **	36,476.			
d Applied to 2011 distributable amount				46,524.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))	1,391.			1,391.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	36,476.			
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		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2010 Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2012 Subtract lines 7 and 8 from line 6a	36,476.			
10 Analysis of line 9:				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011	36,476.			

** See Statement 8

Form 990-PF (2011)

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				
St. David's School 3400 White Oak Road Raleigh, NC 27609	None	School	Education	5,000.
Builders of Hope 310 North Harrington St Raleigh, NC 27603	None	509(a)	General	13,000.
Middle Tennessee State University 1301 East Main Street Murfreesboro, TN 37132	None	School	Education	5,000.
Reformed University Fellowship 1700 N Brown Road, Suite 104 Lawrenceville, GA 30043	None	School	Education	10,000.
St Jude's Children Hospital 262 Danny Thomas Place Memphis, TN 38105	None	509(a)	General	10,000.
Total	See continuation sheet(s)			83,000.
b Approved for future payment				
None				
Total				0.

Schedule B(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No 1545-0047

2011

Name of the organization

Employer identification number

Welsh Family Foundation**20-6709966**

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$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 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions 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 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total 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. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2 of its Form 990-PF, to certify that it does 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, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2011)

Name of organization

Employer identification number

Welsh Family Foundation**20-6709966****Part I Contributors** (see instructions) Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	Steven M. Welsh 5217 Atherton Bridge Road Raleigh, NC 27613	\$ 5,027.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution)
2	Steven M. Welsh 5217 Atherton Bridge Road Raleigh, NC 27613	\$ 38,088.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

Name of organization

Employer identification number

Welsh Family Foundation**20-6709966****Part II Noncash Property** (see instructions) Use duplicate copies of Part II if additional space is needed

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
<u>1</u>	<u>177 shares Jensen Portfolio Class I</u> _____ _____ _____	\$ <u>5,027.</u>	<u>04/15/11</u>
<u>2</u>	<u>209 shares IBM</u> _____ _____ _____	\$ <u>38,088.</u>	<u>11/09/11</u>
	_____ _____ _____ _____	\$ _____	_____
	_____ _____ _____ _____	\$ _____	_____
	_____ _____ _____ _____	\$ _____	_____
	_____ _____ _____ _____	\$ _____	_____

Name of organization

Employer identification number

Welsh Family Foundation

20-6709966

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once) ▶ \$

Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

3 Grants and Contributions Paid During the Year (Continuation)**Total from continuation sheets**

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	96 ISHARES FTSE CHINA 25 FTSE CHINA 25 INDEX FD	P	10/16/08	02/01/11
b	82 VANGUARD REIT	P	02/01/11	10/05/11
c	814.88 IVY ASSET STRATEGY FUND CL I	P	08/11/09	12/02/11
d	8 SPDR GOLD TRUST SPDR GOLD SHARES	P	10/17/08	12/08/11
e	74 S P D R S&P 500 ETF TR EXPIRING 01/22/2118	P	02/01/11	09/13/11
f	725.7 PIMCO ALL ASSET ALL AUTHORITY CL INST	P	08/11/09	11/01/11
g	64 PIMCO EXCH TRADED FUND 15+ YR US TIPS INDEX F	P	10/04/10	05/31/11
h	63 JOHNSON & JOHNSON	P	07/12/06	01/21/11
i	60 ADOBE SYSTEMS INC	P	05/13/10	11/29/11
j	549 ISHARES MSCI HK IDX FD HONG KONG INDEX FUND	P	05/31/11	08/05/11
k	50 STRYKER CORP	P	01/24/08	08/26/11
l	50 ORACLE CORPORATION	P	12/22/09	05/18/11
m	50 EQUIFAX INC	P	01/24/08	12/21/11
n	5.661 IVY ASSET STRATEGY FUND CL I	P	12/09/10	12/02/11
o	495 ISHARES MSCI HK IDX FD HONG KONG INDEX FUND	P	02/01/11	08/05/11

(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 4,111.		2,690.	1,421.
b 3,989.		4,682.	<693.>
c 19,533.		16,551.	2,982.
d 1,350.		618.	732.
e 8,678.		9,671.	<993.>
f 7,724.		7,516.	208.
g 3,564.		3,614.	<50.>
h 3,948.		3,836.	112.
i 1,578.		2,109.	<531.>
j 9,554.		10,651.	<1,097.>
k 2,269.		3,460.	<1,191.>
l 1,681.		1,237.	444.
m 1,897.		1,765.	132.
n 136.		138.	<2.>
o 8,614.		9,651.	<1,037.>

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(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) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			1,421.
b			<693.>
c			2,982.
d			732.
e			<993.>
f			208.
g			<50.>
h			112.
i			<531.>
j			<1,097.>
k			<1,191.>
l			444.
m			132.
n			<2.>
o			<1,037.>

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

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).

If (loss), enter "-0-" in Part I, line 8

3

Welsh Family Foundation

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	48 VANGUARD REIT	P	09/15/10	10/05/11
b	47.254 PIMCO ALL ASSET ALL AUTHORITY CL INST	P	06/16/11	11/01/11
c	44 SPDR GOLD TRUST SPDR GOLD SHARES	P	05/12/10	12/08/11
d	432 SPDR S&P DIVIDEND ETF	P	10/04/10	02/01/11
e	40.678 PIMCO ALL ASSET ALL AUTHORITY CL INST	P	09/16/10	11/01/11
f	40.374 PIMCO ALL ASSET ALL AUTHORITY CL INST	P	06/17/10	11/01/11
g	40.251 PIMCO ALL ASSET ALL AUTHORITY CL INST	P	09/17/09	11/01/11
h	40 PEPSICO INCORPORATED	P	12/21/10	12/21/11
i	40 MICROSOFT CORP	P	09/24/10	08/26/11
j	40 COCA COLA COMPANY	P	01/24/08	08/16/11
k	40 ADOBE SYSTEMS INC	P	02/07/08	11/29/11
l	394 ISHARES MSCI GRMNY IDX GERMANY INDEX FUND	P	12/08/10	05/17/11
m	38 SPDR GOLD TRUST SPDR GOLD SHARES	P	10/17/08	02/01/11
n	376 WISDOMTREE INDIA EARNING	P	07/13/10	02/01/11
o	36 PIMCO EXCH TRADED FUND 15+ YR US TIPS INDEX F	P	10/04/10	02/01/11

(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 2,335.		2,557.	<222.>
b 503.		512.	<9.>
c 7,426.		5,353.	2,073.
d 22,636.		21,704.	932.
e 433.		447.	<14.>
f 430.		428.	2.
g 428.		425.	3.
h 2,627.		2,663.	<36.>
i 978.		993.	<15.>
j 2,708.		2,378.	330.
k 1,052.		1,303.	<251.>
l 10,441.		9,444.	997.
m 4,968.		2,933.	2,035.
n 8,553.		8,859.	<306.>
o 1,901.		2,033.	<132.>

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(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) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			<222.>
b			<9.>
c			2,073.
d			932.
e			<14.>
f			2.
g			3.
h			<36.>
i			<15.>
j			330.
k			<251.>
l			997.
m			2,035.
n			<306.>
o			<132.>

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	
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). If (loss), enter "-0-" in Part I, line 8 }	3	

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	350 WISDOMTREE TRUST BRAZILIAN REAL FUND	P	05/31/11	09/27/11
b	32 VANGUARD BOND INDEX FUNDTOTAL BOND MARKET ETF	P	06/02/10	10/05/11
c	32 PIMCO EXCH TRADED FUND 15+ YR US TIPS INDEX F	P	10/04/10	10/05/11
d	31.964 PIMCO ALL ASSET ALL AUTHORITY CL INST	P	03/18/10	11/01/11
e	30 EQUIFAX INC	P	01/24/08	05/18/11
f	30 ABBOTT LABORATORIES	P	03/23/10	11/29/11
g	3 WISDOMTREE ASIA ETF LOCAL DEBT FUND	P	03/17/11	09/27/11
h	290 FIRST TR BICK INDEX ETF EMERGING MARKET EQUIT	P	10/04/10	05/31/11
i	28 SPDR GOLD TRUST SPDR GOLD SHARES	P	10/31/08	12/08/11
j	25 SPDR GOLD TRUST SPDR GOLD SHARES	P	05/12/10	10/05/11
k	24 ISHARES FTSE CHINA 25 FTSE CHINA 25 INDEX FD	P	06/02/10	02/01/11
l	210 SPDR INDEX SHARES FUND S&P EMERGING MARKETS	P	09/09/10	02/01/11
m	209 INTL BUSINESS MACHINES	P	07/15/10	11/10/11
n	208 VANGUARD INTL EQTY INDEXFTSE ALL WORLD EX US	P	10/09/08	05/31/11
o	20 EMERSON ELECTRIC CO	P	01/24/08	02/18/11

(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 8,917.		10,066.	<1,149.>
b 2,667.		2,570.	97.
c 2,047.		1,807.	240.
d 340.		333.	7.
e 1,103.		1,059.	44.
f 1,602.		1,624.	<22.>
g 150.		150.	0.
h 9,492.		9,395.	97.
i 4,726.		2,001.	2,725.
j 3,986.		3,041.	945.
k 1,028.		948.	80.
l 11,316.		10,921.	395.
m 38,334.		37,113.	1,221.
n 10,423.		7,352.	3,071.
o 1,224.		1,017.	207.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(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) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			<1,149.>
b			97.
c			240.
d			7.
e			44.
f			<22.>
g			0.
h			97.
i			2,725.
j			945.
k			80.
l			395.
m			1,221.
n			3,071.
o			207.

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	
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). If (loss), enter "-0-" in Part I, line 8 }	3	

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	20 CLOROX COMPANY	P	01/24/08	04/13/11
b	20 CLOROX COMPANY	P	12/26/08	04/13/11
c	20 AUTO DATA PROCESSING	P	01/24/08	05/18/11
d	20 ABBOTT LABORATORIES	P	02/03/10	11/29/11
e	191 WISDOMTREE ASIA ETF LOCAL DEBT FUND	P	05/31/11	09/27/11
f	181 WISDOMTREE EMERGING ETF MKTS LOCAL DEBT FUND	P	08/11/11	09/27/11
g	179 WISDOMTREE EMERGING ETF MKTS LOCAL DEBT FUND	P	08/09/10	05/31/11
h	177 SPDR INDEX SHARES FUND S&P EMERGING MARKETS	P	06/02/10	05/13/11
i	17 SPDR INDEX SHARES FUND S&P EMERGING MARKETS	P	06/02/10	02/01/11
j	169 ISHARES FTSE CHINA 25 FTSE CHINA 25 INDEX F	P	10/10/08	02/01/11
k	167 POWERSHS QQQ TRUST SER 1	P	02/01/11	05/31/11
l	165 ISHARES MSCI KOREA IDX KOREA INDEX FUND	P	02/01/11	05/17/11
m	155 SPDR INDEX SHARES FUND S&P EMERGING MARKETS	P	10/04/10	02/01/11
n	150 MEDTRONIC INC	P	01/24/08	08/26/11
o	15 ISHARES TR BARCLAYS BONDBARCLAYS 7-10 YEAR	P	05/31/11	10/05/11

(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 1,397.		1,220.	177.
b 1,397.		1,104.	293.
c 1,064.		782.	282.
d 1,068.		1,092.	<24.>
e 9,533.		9,934.	<401.>
f 8,828.		9,602.	<774.>
g 9,558.		8,959.	599.
h 9,706.		8,004.	1,702.
i 916.		769.	147.
j 7,236.		4,419.	2,817.
k 9,680.		9,516.	164.
l 10,494.		10,420.	74.
m 8,352.		8,569.	<217.>
n 4,993.		7,077.	<2,084.>
o 1,575.		1,449.	126.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(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) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			177.
b			293.
c			282.
d			<24.>
e			<401.>
f			<774.>
g			599.
h			1,702.
i			147.
j			2,817.
k			164.
l			74.
m			<217.>
n			<2,084.>
o			126.

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

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).
If (loss), enter "-0-" in Part I, line 8

3

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	144 ISHARES MSCI KOREA IDX KOREA INDEX FUND	P	02/01/11	03/15/11
b	133 SYSCO CORPORATION	P	07/12/06	09/02/11
c	12.792 IVY ASSET STRATEGY FUND CL I	P	12/10/09	12/02/11
d	100 PAYCHEX INC	P	02/12/07	11/02/11
e	10.986 PIMCO ALL ASSET ALL AUTHORITY CL INST	P	12/08/10	11/01/11
f	10 WATERS CORP	P	01/24/08	05/18/11
g	10 SYSCO CORPORATION	P	01/24/08	09/02/11
h	10 SYSCO CORPORATION	P	12/26/08	09/02/11
i	10 PEPSICO INCORPORATED	P	07/19/07	12/21/11
j	10 MICROSOFT CORP	P	01/24/08	08/26/11
k	10 JOHNSON & JOHNSON	P	12/26/08	01/21/11
l	10 ECOLAB INC	P	01/24/08	05/18/11
m	10 COLGATE-PALMOLIVE CO	P	01/24/08	05/18/11
n	10 COGNIZANT TECH SOL CL A	P	09/16/08	02/18/11
o	10 COCA COLA COMPANY	P	03/23/10	08/16/11

(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 8,134.		9,094.	<960.>
b 3,621.		4,137.	<516.>
c 307.		285.	22.
d 2,863.		4,055.	<1,192.>
e 117.		120.	<3.>
f 958.		564.	394.
g 272.		287.	<15.>
h 272.		240.	32.
i 657.		654.	3.
j 245.		327.	<82.>
k 627.		598.	29.
l 508.		473.	35.
m 853.		748.	105.
n 762.		254.	508.
o 677.		549.	128.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(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) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			<960.>
b			<516.>
c			22.
d			<1,192.>
e			<3.>
f			394.
g			<15.>
h			32.
i			3.
j			<82.>
k			29.
l			35.
m			105.
n			508.
o			128.

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
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). If (loss), enter "-0-" in Part I, line 8 }	3

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	10 COCA COLA COMPANY	P	01/24/08	02/18/11
b	10 CLOROX COMPANY	P	01/24/08	02/18/11
c	10 CLOROX COMPANY	P	03/25/09	04/13/11
d	10 CLOROX COMPANY	P	09/23/09	04/13/11
e	10 C H ROBINSON WORLDWD NEW	P	03/16/10	02/18/11
f	10 BARD C R INCORPORATED	P	08/31/09	05/18/11
g	Capital Gains Dividends			
h				
i				
j				
k				
l				
m				
n				
o				

(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 637.		595.	42.
b 668.		610.	58.
c 699.		521.	178.
d 699.		598.	101.
e 742.		547.	195.
f 1,104.		801.	303.
g 277.			277.
h			
i			
j			
k			
l			
m			
n			
o			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(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) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			42.
b			58.
c			178.
d			101.
e			195.
f			303.
g			277.
h			
i			
j			
k			
l			
m			
n			
o			

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	16,305.
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). If (loss), enter "-0-" in Part I, line 8 }	3	N/A

Form 990-PF Dividends and Interest from Securities Statement 1

Source	Gross Amount	Capital Gains Dividends	Column (A) Amount
Charles Schwab	10,336.	91.	10,245.
Charles Schwab	4,021.	0.	4,021.
Charles Schwab	5,060.	0.	5,060.
Charles Schwab	7,316.	113.	7,203.
Powershares DB Commodity Index	81.	73.	8.
Total to Fm 990-PF, Part I, ln 4	26,814.	277.	26,537.

Form 990-PF Other Income Statement 2

Description	(a) Revenue Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income
Powershares DB Commodity	20.	20.	
Total to Form 990-PF, Part I, line 11	20.	20.	

Form 990-PF Other Professional Fees Statement 3

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Management fees	8,847.	8,847.		0.
To Form 990-PF, Pg 1, ln 16c	8,847.	8,847.		0.

Form 990-PF	Taxes			Statement	4
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
Foreign taxes	169.	169.		0.	
To Form 990-PF, Pg 1, ln 18	169.	169.		0.	

Form 990-PF	Other Expenses			Statement	5
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
Investment expenses	14.	14.		0.	
To Form 990-PF, Pg 1, ln 23	14.	14.		0.	

Form 990-PF	Corporate Stock		Statement	6
Description	Book Value	Fair Market Value		
3M Companies	17,354.	20,433.		
Abbott Laboratories	7,733.	9,615.		
Adobe Systems Inc	8,841.	8,764.		
Altria Group Inc	6,476.	9,488.		
Amphenol Corp Cl A	7,810.	10,440.		
Astrazeneca Plc Adr	7,694.	7,406.		
AT&T	9,241.	8,165.		
Auto Data Processing	5,839.	8,102.		
Bard C R Inc	5,547.	5,985.		
Becton Dickinson Co	10,193.	8,966.		
Boeing Company	3,593.	5,868.		
Bristol-Myers Squibb Co	7,568.	10,924.		
C H Robinson Worldwd New	6,567.	7,676.		
Chevrontexaco Corp	7,314.	11,704.		
Clorox Company	0.	0.		
Coca Cola Company	2,809.	4,198.		
Cognizant Tech Solutions Corp	5,194.	10,290.		
Colgate-Palmolive Co	6,520.	8,315.		
Conocophillips	6,586.	9,473.		
Diageo Plc New Adr	7,237.	8,742.		
Dominion Res Inc Va New	6,659.	8,493.		

Welsh Family Foundation

20-6709966

Du'Pont (E.I.) de Nemours	6,821.	9,156.
Ecolab Inc	3,682.	4,625.
Emerson Electric Co	11,990.	11,648.
Equifax Inc	6,875.	7,748.
First Tr BICK Index Fd	0.	0.
General Electric Company	11,477.	5,552.
Genuine Parts Co	8,652.	11,628.
Heinz H J Co	7,860.	10,268.
Hsbc Hldgs Plc ADR New	5,640.	4,953.
Intel Corporation	4,641.	5,820.
Johnson & Johnson	7,400.	7,870.
Kimberly-Clark Corp	9,286.	9,563.
Kraft Foods Inc	9,135.	10,834.
Laboratory Corp. of America Holdings	4,106.	4,299.
Lilly Eli & Company	10,592.	9,143.
Medtronic Inc	5,845.	5,738.
Merck & Co. Inc	7,305.	8,860.
Microsoft Corp	16,699.	18,743.
Nextera Energy Inc.	5,853.	7,306.
Nike Inc Class B	3,935.	4,819.
Nokia Corp Spon ADR	6,066.	1,928.
Omnicom Group Inc	11,536.	12,037.
Oracle Corporation	7,654.	8,978.
Paychex Inc	2,748.	3,011.
Pepsico Inc	11,477.	11,810.
Petrochina Co Ltd Spon ADR	4,439.	4,972.
Philip Morris Intl Inc Com	5,441.	10,202.
Praxair Inc	7,835.	10,690.
Procter & Gamble Co	11,158.	12,075.
Royal Dutch Shell ADR	7,958.	8,361.
Stryker Corp	8,300.	7,954.
Sysco Corporation	0.	0.
T Rowe Price Group Inc	11,956.	13,668.
Travelers Companies Inc	3,606.	5,325.
Unilever N V NY Shs New	6,378.	8,936.
United Technologies Inc	9,529.	11,694.
Varian Medical Sys Inc	2,981.	3,357.
Verizon Communications	9,922.	11,635.
Vodafone Group PLC ADR F	8,655.	8,409.
Waters Corp	4,198.	5,924.

Total to Form 990-PF, Part II, line 10b

436,406.

502,586.

Form 990-PF	Other Investments	Statement	7
Description	Valuation Method	Book Value	Fair Market Value
iShares FTSE/Xinhua China 25 ETF	COST	18,348.	18,703.
iShares Inc MSCI Germany Index Fd	COST	3,425.	4,747.
iShares Inc MSCI Hong Kong Index Fd	COST	0.	0.
Jensen Portfolio Class I	COST	0.	0.
PowerShares QQQ Trust Series 1	COST	9,801.	9,603.
S&P Emg Mkt Small Cap	COST	0.	0.
Streettracks Spdr Divdnd	COST	0.	0.
Vanguard Div Apprciation	COST	21,274.	24,429.
Vanguard Intl Equityindex Fd Inc FTSE	COST	0.	0.
Vanguard Emerging Markets ETF	COST	12,039.	9,935.
Vanguard MSCI EAFE ETF	COST	11,604.	9,618.
Vanguard Total Stock Market	COST	37,255.	41,666.
WisdomTree India Earnings	COST	0.	0.
CurrencyShares Japanese Yen	COST	9,233.	9,211.
Health Care Ppty Inv Inc	COST	6,582.	8,286.
Health Care Reit Inc	COST	7,042.	8,725.
iSahres COMEX Gold trust	COST	13,502.	12,154.
Ivy Asset Strategy Cl I	COST	28,942.	31,928.
PIMCO All Asset All Authority Instl	COST	39,295.	38,091.
Powershares DB Commodity Idx	COST	10,862.	11,971.
Streettracks Gold Tr Gold Shs	COST	11,611.	17,631.
Vanguard REIT Indx VIPER	COST	19,422.	21,344.
iShares GS Inv. Grade Corp Bd	COST	9,237.	9,442.
iShares Tr 7-10 Yr Treas Index Fd	COST	8,503.	9,290.

20-6709966

		29	Statement(s) 7
13270430	134352 WelshFamFdn	2011.03040 Welsh Family Foundation	WELSHFA1

Form 990-PF	Election Under Regulations Section	Statement	8
	53.4942(a)-3(d)(2) to Treat		
	Excess Qualifying Distributions		
	as Distributions out of Corpus		

The Foundation elects under Regulation 53.4942(a)-3(d)(2) to apply all or part of the remaining qualifying distributions to any undistributed income remaining from the years before 2011 or to apply to the corpus.