Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545 0052

2011

For calendar year 2011, or tax year beginning , 2011, and ending ,

Name of foundation: WELLS FAMILY FOUNDATION INC

A Employer identification number: 41-1732563

Number and street (or P O box number if mail is not delivered to street address): 100 Federal DRIVE | Room/suite:

B Telephone number (see the instructions): (612) 333-4740

City or town: FORT SNELLING | State: MN | ZIP code: 55111-4036

C If exemption application is pending, check here ►

G Check all that apply: [ ] Initial return [ ] Initial Return of a former public charity [ ] Final return [X] Amended return [ ] Address change [ ] Name change

D 1 Foreign organizations, check here ►

2 Foreign organizations meeting the 85% test, check here and attach computation ►

H Check type of organization: [X] Section 501(c)(3) exempt private foundation [ ] Section 4947(a)(1) nonexempt charitable trust [ ] Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ►

I Fair market value of all assets at end of year (from Part II, column (c), line 16) ► $ 5,381,764.

J Accounting method [X] Cash [ ] Accrual [ ] Other (specify) (Part I, column (d) must be on cash basis)

F If the foundation is in a 60 month termination under section 507(b)(1)(B), check here ►

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see 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 (att sch)				
	2 Ck ► [ ] if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	148,845.	148,845.		
	5a Gross rents				
	b Net rental income or (loss)		L-6a Stmt		
	6a Net gain/(loss) from sale of assets not on line 10	38,346.			
	b Gross sales price for all assets on line 6a 1,236,576.				
	7 Capital gain net income (from Part IV, line 2)		38,346.		
	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/(loss) (att sch)				
	11 Other income (attach schedule) Misc	8,331.	8,331.		
	12 **Total.** Add lines 1 through 11	195,522.	195,522.		
OPERATING AND ADMINISTRATIVE EXPENSES	13 Compensation of officers, directors, trustees, etc	18,000.	0.	0.	18,000.
	14 Other employee salaries and wages	20,000.	0.	0.	20,000.
	15 Pension plans, employee benefits	0.	0.	0.	0.
	16a Legal fees (attach schedule) Sch 1	0.	0.	0.	0.
	b Accounting fees (attach sch) Sch 2	2,850.	0.	0.	2,850.
	c Other prof fees (attach sch) Sch 3	24,909.	24,909.	0.	0.
	17 Interest	0.	0.	0.	0.
	18 Taxes (attach schedule)(see instrs) Sch 4	7,048.	0.	0.	3,223.
	19 Depreciation (attach sch) and depletion	0.	0.	0.	
	20 Occupancy	2,160.	0.	0.	2,160.
	21 Travel, conferences, and meetings	0.	0.	0.	0.
	22 Printing and publications	0.	0.	0.	0.
	23 Other expenses (attach schedule) See Line 23 Stmt	7,747.	0.	0.	7,747.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	82,714.	24,909.	0.	53,980.
	25 Contributions, gifts, grants paid	267,500.			267,500.
	26 **Total expenses and disbursements.** Add lines 24 and 25	350,214.	24,909.	0.	321,480.
	27 Subtract line 26 from line 12:				
	a **Excess of revenue over expenses and disbursements**	-154,692.			
	b **Net investment income** (if negative, enter -0-)		170,613.		
	c **Adjusted net income** (if negative, enter -0-)			0.	

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Part II Balance Sheets

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

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
ASSETS	1 Cash – non-interest-bearing	5,525.	4,720.	4,720.
	2 Savings and temporary cash investments	29,091.	49,165.	49,165.
	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 instructions)			
	7 Other notes and loans receivable (attach sch) ►			
	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) Sch 7	0.	0.	0.
	b Investments – corporate stock (attach schedule) Sch 8a	2,285,604.	2,236,846.	3,332,835.
	c Investments – corporate bonds (attach schedule) Sch 8b	2,015,281.	1,890,079.	1,995,044.
	11 Investments – land, buildings, and equipment basis ►			
	Less accumulated depreciation (attach schedule) ►			
	12 Investments – mortgage loans			
	13 Investments – other (attach schedule)			
	14 Land, buildings, and equipment basis ►			
	Less accumulated depreciation (attach schedule) ►			
	15 Other assets (describe ►)			
	16 **Total assets** (to be completed by all filers – see the instructions Also, see page 1, item I)	4,335,501.	4,180,810.	5,381,764.
LIABILITIES	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ►)			
	23 **Total liabilities** (add lines 17 through 22)			
NET ASSETS OR FUND BALANCES	**Foundations that follow SFAS 117, check here ► ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ► [X] and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, building, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	4,335,501.	4,180,810.	
	30 **Total net assets or fund balances** (see instructions)	4,335,501.	4,180,810.	
	31 **Total liabilities and net assets/fund balances** (see instructions)	4,335,501.	4,180,810.	

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	4,335,501.
2	Enter amount from Part I, line 27a	2	-154,692.
3	Other increases not included in line 2 (itemize) ► See Other Increases Stmt	3	1.
4	Add lines 1, 2, and 3	4	4,180,810.
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	4,180,810.

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 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month day year)	(d) Date sold (month day, year)
1a	See Schedule 9			
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				38,346.
b				
c				
d				
e				

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

	(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a				38,346.
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	38,346.
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 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 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 (column (b) divided by column (c))
2010	337,039.	5,677,568.	0.059363
2009	303,756.	5,112,352.	0.059416
2008	362,312.	5,513,040.	0.065719
2007	343,072.	6,398,655.	0.053616
2006	346,517.	6,098,694.	0.056818

2	**Total** of line 1, column (d)	2	0.294932
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	0.058986
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	5,707,127.
5	Multiply line 4 by line 3	5	336,641.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1,706.
7	Add lines 5 and 6	7	338,347.
8	Enter qualifying distributions from Part XII, line 4	8	321,480.

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)

1 a Exempt operating foundations described in section 4940(d)(2), check here ▶ [ ] and enter 'N/A' on line 1				
Date of ruling or determination letter _______ (attach copy of letter if necessary – see instrs)				
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [ ] and enter 1% of Part I, line 27b			1	3,412.
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (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	3,412.
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	3,412.
6 Credits/Payments				
a 2011 estimated tax pmts and 2010 overpayment credited to 2011	6a	3,412.		
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	3,412.
8 Enter any **penalty** for underpayment of estimated tax Check here [X] if Form 2220 is attached			8	0.
9 **Tax due** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	0.
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	0.
11 Enter the amount of line 10 to be **Credited to 2012 estimated tax** ▶		**Refunded** ▶	11	

Part VII-A Statements Regarding Activities

		Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?	1b		X
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			
c Did the foundation file **Form 1120-POL** for this year?	1c		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*	2		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*	3		X
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b If 'Yes,' has it filed a tax return on **Form 990-T** for this year?	4b	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If 'Yes,' attach the statement required by General Instruction T*	5		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?	6	X	
7 Did the foundation have at least $5,000 in assets at any time during the year? *If 'Yes,' complete Part II, column (c), and Part XV*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ MN - Minnesota			
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*	8b	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*	9		X
10 Did any persons become substantial contributors during the tax year? *If 'Yes,' attach a schedule listing their names and addresses*	10		X

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

			Yes	No
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 ► N/A

14 The books are in care of ► John J Knip Jr Telephone no ► (612) 333-4740

Located at ► 100 Federal Drive St Paul MN ZIP + 4 ► 55111

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

			Yes	No
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		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If 'Yes,' enter the name of the foreign country ►			

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

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

				Yes	No
1 a	During the year did the foundation (either directly or indirectly)				
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No			
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No			
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
(6)	Agree to pay money or property to a government official? (**Exception.** Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☒ No			
b	If any answer is 'Yes' to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?		1b	N/A	
	Organizations relying on a current notice regarding disaster assistance check here	► ☐			
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?		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?	☐ Yes ☒ No			
	If 'Yes,' list the years ► 20__ , 20__ , 20__ , 20__				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer 'No' and attach statement – see instructions)		2b	N/A	
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ► 20__ , 20__ , 20__ , 20__				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If 'Yes,' did it have excess business holdings in 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)*		3b	N/A	
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

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

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is 'Yes' to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)? **5b** N/A

Organizations relying on a current notice regarding disaster assistance check here ► ☐

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

If 'Yes,' attach the statement required by Regulations section 53 4945-5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** X

If 'Yes' to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction? **7b** N/A

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

1 List all officers, directors, trustees, foundation managers and their compensation (see 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
Adele S Merck 1197 North Lake Way Palm Beach FL 33480	President 1.00	0.	0.	0.
George Merck 1197 North Lake Way Palm Beach FL 33480	Vice President 1.00	0.	0.	0.
Kenneth Beall 777 So Flagler Dr West Palm Beach FL 33480	Secretary 1.00	0.	0.	0.
John J Knip Jr 100 Federal Drive St St Paul MN 55111	Treasurer 4.00	18,000.	0.	536.

2 Compensation of five highest-paid employees (other than those included on line 1— see instructions). If none, enter 'NONE.'

(a) Name and address of each employee paid more than $50,000	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
0				
0				
0	NONE			
0				
0				

Total number of other employees paid over $50,000 ►

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

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter 'NONE.'

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

Total number of others receiving over $50,000 for professional services ►	

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

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1	
2 NONE	
3	
4	

Part IX-B **Summary of Program-Related Investments** (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 ►	

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	5,785,676.
b	Average of monthly cash balances	1b	8,362.
c	Fair market value of all other assets (see instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	5,794,038.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	5,794,038.
4	Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	86,911.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	5,707,127.
6	**Minimum investment return.** Enter 5% of line 5	6	285,356.

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	285,356.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	3,412.		
b	Income tax for 2011 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	3,412.
3	Distributable amount before adjustments Subtract line 2c from line 1			3	281,944.
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	281,944.
6	Deduction from distributable amount (see instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	281,944.

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	321,480.
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		
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	321,480.
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 instructions)	5	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	321,480.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				281,944.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			0.	
b Total for prior years 20___, 20___, 20___				
3 Excess distributions carryover, if any, to 2011				
a From 2006 51,230.				
b From 2007 41,924.				
c From 2008 88,185.				
d From 2009 50,614.				
e From 2010 55,781.				
f Total of lines 3a through e	287,734.			
4 Qualifying distributions for 2011 from Part XII, line 4 ► $ 321,480.				
a Applied to 2010, but not more than line 2a				
b Applied to undistributed income of prior years (Election required – see instructions)				
c Treated as distributions out of corpus (Election required – see instructions)				
d Applied to 2011 distributable amount				281,944.
e Remaining amount distributed out of corpus	39,536.			
5 Excess distributions carryover applied to 2011 *(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:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	327,270.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount – see instructions		0.		
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount – see instructions			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) (see instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	51,230.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	276,040.			
10 Analysis of line 9:				
a Excess from 2007 41,924.				
b Excess from 2008 88,185.				
c Excess from 2009 50,614.				
d Excess from 2010 55,781.				
e Excess from 2011 39,536.				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling ▶

b Check box to indicate whether the foundation is a private operating foundation described in section [ ] 4942(j)(3) or [ ] 4942(j)(5)

	Tax year	Prior 3 years			
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a 'Assets' alternative test – enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b 'Endowment' alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c 'Support' alternative test – enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 **Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000) (See section 507(d)(2))

NONE

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

N/A

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

Check here ▶ [X] 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 instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

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

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
Schedule 11				
Total			▶ **3a**	
b *Approved for future payment*				
	N/A			
Total			▶ **3b**	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	(e) Related or exempt function income (See instructions)
1 Program service revenue					
a					
b					
c N/A					
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					
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					
8 Gain or (loss) from sales of assets other than inventory	Sch 9				38,346.
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)					38,346.

13 **Total.** Add line 12, columns (b), (d), and (e) 13 38,346.

(See worksheet in line 13 instructions to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)
	N/A

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

		Yes	No
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	**1a (1)**		X
(2) Other assets	**1a (2)**		X
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization	**1b (1)**		X
(2) Purchases of assets from a noncharitable exempt organization	**1b (2)**		X
(3) Rental of facilities, equipment, or other assets	**1b (3)**		X
(4) Reimbursement arrangements	**1b (4)**		X
(5) Loans or loan guarantees	**1b (5)**		X
(6) Performance of services or membership or fundraising solicitations	**1b (6)**		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	**1c**		X

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
	NONE	

Sign Here

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

John J Knip Jr — Signature of officer or trustee | 12/11/13 — Date | Treasurer — Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Self Prepared				[redacted]

Firm's name ► JOHN KNIP — Firm's EIN ► 45-3958623

Firm's address ► 8728 WINDSOR TERRACE, BROOKLYN PARK MN 55443-1953 — Phone no (763) 493-9315

Form 990-PF Part I, Line 6a	Net Gain or Loss From Sale of Assets	2011

Name	Employer Identification Number
WELLS FAMILY FOUNDATION INC	41-1732563

Asset Information:

Description of Property
Date Acquired How Acquired
Date Sold Name of Buyer
Sales Price Cost or other basis (do not reduce by depreciation)
Sales Expense Valuation Method
Total Gain (Loss) Accumulation Depreciation

Description of Property
Date Acquired How Acquired
Date Sold Name of Buyer
Sales Price 1,236,576. Cost or other basis (do not reduce by depreciation)
Sales Expense 1,198,230. Valuation Method
Total Gain (Loss) 38,346. Accumulation Depreciation

Description of Property
Date Acquired How Acquired
Date Sold Name of Buyer
Sales Price Cost or other basis (do not reduce by depreciation)
Sales Expense Valuation Method
Total Gain (Loss) Accumulation Depreciation

Description of Property
Date Acquired How Acquired
Date Sold Name of Buyer
Sales Price Cost or other basis (do not reduce by depreciation)
Sales Expense Valuation Method
Total Gain (Loss) Accumulation Depreciation

Description of Property
Date Acquired How Acquired
Date Sold Name of Buyer
Sales Price Cost or other basis (do not reduce by depreciation)
Sales Expense Valuation Method
Total Gain (Loss) Accumulation Depreciation

Description of Property
Date Acquired How Acquired
Date Sold Name of Buyer
Sales Price Cost or other basis (do not reduce by depreciation)
Sales Expense Valuation Method
Total Gain (Loss) Accumulation Depreciation

Description of Property
Date Acquired How Acquired
Date Sold Name of Buyer
Sales Price Cost or other basis (do not reduce by depreciation)
Sales Expense Valuation Method
Total Gain (Loss) Accumulation Depreciation

Description of Property
Date Acquired How Acquired
Date Sold Name of Buyer
Sales Price Cost or other basis (do not reduce by depreciation)
Sales Expense Valuation Method
Total Gain (Loss) Accumulation Depreciation

Form 990-PF, Page 1, Part I, Line 23
Line 23 Stmt

Other expenses.	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
Sch 6	7,747.	0.	0.	7,747.
Amortization	0.	0.	0.	0.
Total	7,747.	0.	0.	7,747.

Form 990-PF, Page 2, Part III, Line 3
Other Increases Stmt

Rounding	1.
Total	1.

Wells Family Foundation, Inc

Index of Schedules

2011

Schedule #	Description	Reference to
1	Legal Fees	Part I Line 16 a
2	Accounting	Part I Line 16 b
3	Other Professional Fees	Part I Line 16 c
4	Taxes	Part I Line 18
5	Depreciation	Part I Line 19
6	Other Expenses	Part I Line 23
7	Investments - U S & State Gov't Obligation	Part II Line 10 a
8	Investments - Corporate Stock	Part II Line 10 b
9	Capital Gains (Losses)	Part IV Line 1
10	Average Monthly Balances	Part X Line 1 a & Line 1 b
11	Contributions Paid in 2011	Part XV Line 3 a

Schedule 1

Wells Family Foundation, Inc.

Legal Fees
2011

Gunster, Yoakley & Stewart, P A	$ -

To Part I Line 16 a

Wells Family Foundation, Inc.

Accounting Fees
2011

Karol Joos	$ 2,700 00
John J Knip, III	$ 150 00
	$ 2,850 00

To Part I Line 16 b

Wells Family Foundation, Inc.

Other Professional Fees

2011

US Bank	$ 24,909 00

To Part I Line 16 c

Schedule 4

Wells Family Foundation, Inc.

Taxes

2011

Us Excıse Tax on Investement	$	3,825 00
Payroll Tax	$	3,223 00
	$	7,048 00

To Part I Lıne 18

Schedule 5

Wells Family Foundation, Inc.
Depreciation
2011

Description	Date Acq	Cost	Current Depreciation
			$ -

To Part I Line 19

Schedule 6

Wells Family Foundation, Inc.

Other Expenses

2011

Bank Charges	$	313 00
Insurance		1,490 00
Office Expense		3,605 00
Computer		225 00
Mısc Expense		859 00
Educatıon		1,255 00
	$	7,747 00

To Part I Lıne 23

Wells Family Foundation, Inc.
US Gov't Securities
2011

Security	Shares	Curr Price	Cost Basis	FMV
			$ -	$ -

To Part II Line10A

Schedule 8A

Wells Family Foundation, Inc.

Corporate Stock
2011

Security	Shares	Curr Prıce	Cost Basıs	FMV
Amazon com	450 000	173 100	79,704 00	77,895 00
Apple	1,100 000	105 000	95,694.34	445,500 00
Bank of Amerıca	12,000 280	5 560	69,265.62	66,721 56
C H Robınson	2,500 000	69 780	108,665 00	174,450 00
Cameron Intl Corp	6,000 000	49 190	205,419 15	295,140 00
Exxon Mobıl	2,500 000	84 760	43,825 00	211,900.00
Freeport-MrMoran Cooper	8,000 000	36.790	118,320 00	294,320 00
General Elec	5,000 000	17 910	152,464.66	89,550 00
Hewlett Packard	2,500 000	25 760	70,500 00	64,400 00
ıshares	3,000 000	37 940	141,059 70	113,820 00
JP Morgan	7,000.000	33.250	215,119 48	232,750 00
McDonald's Corp	800 000	100 330	79,272 00	80,264 00
QualComm Inc	3,000 000	54 700	109,774 96	164,100 00
Radobank	125,000 000	0 980	124,056.25	122,487 50
Schlumberger	2,000.000	68 310	68,623.25	136,620 00
Statoılhydro	125,000 000	1 049	131,381 25	131,172 50
Target	5,000 000	51 220	226,396 50	256,100 00
Unıted Tech	2,500 000	73 090	86,075 00	182,725 00
Wells Fargo	7,000 000	27 560	111,230 00	192,920 00
			$ 2,236,846 16	$ 3,332,835 56

Part II Lıne 10b

Schedule 8B

Wells Family Foundation, Inc.
Corporate Bonds
2011

Security	Shares	Curr Price		Cost Basis		FMV
Bank of America	100,000 00	0 902	$	101,467 00	$	90,191.00
Bb&t Corp	100,000 00	1 071		99,428 00		107,060 00
Bb&t Corp 5 7	100,000 00	1 094		100,504 00		109,399 00
Coca Cola 11/17	200,000 00	1 201		200,148 00		240,104 00
Cocnocophillips 4 6 1/15	200,000 00	1.106		202,410 00		221,198.00
Glaxosmitnkline 1/11	200,000 00	1 082		198,446 00		216,446 00
JPMorgan 5 125	200,000 00	1 054		201,106 00		210,860 00
Nuveen ST Bond	27,650 27	9 840		274,848 03		272,078 66
Prudential Fin 4 74 4/14	100,000 00	1 054		99,100 00		105,430 00
Shell Intl Fin	100,000 00	1 010		101,062 00		101,022 00
Target 3/12	100,000 00	1 008		103,313 00		100,839 00
United Parcel	100,000 00	1 041		103,035 00		104,118 00
Wyeth 5 5 2/16	100,000 00	1 163		105,212 00		116,298 00
				1,890,079.03		1,995,043 66

Part II Line 10c

Wells Family Foundation, Inc.

Capital Gains & Losses
2011

Security	Shares	Sales Price	Cost Basis	Gain/Loss
STOCKS				
Federated Prime	10,230 700	10,230 70	10,230 70	0 00
Federated Prime	11,976 720	11,976 72	11,976 72	0 00
Federated Prime	6,883 480	6,883 48	6,883.48	0 00
Federated Prime	11,312 310	11,312 31	11,312 31	0 00
Federated Prime	9,178 640	9,178 64	9,178 64	0 00
Federated Prime	100,291 410	100,291 41	100,291.41	0 00
Federated Prime	5,603 570	5,603 57	5,603 57	0 00
Federated Prime	18,983 680	18,983.68	18,983 68	0 00
Federated Prime	9,478.570	9,478 57	9,478 57	0 00
Federated Prime	284,007.210	284,007.21	284,007.21	0 00
Federated Prime	12,109.600	12,109 60	12,109 60	0 00
Federated Prime	6,108.590	6,108 59	6,108 59	0 00
Federated Prime	4,332 120	4,332.12	4,332 12	0 00
Federated Prime	14,566 320	14,566 32	14,566 32	0 00
Federated Prime	5,222 090	5,222 09	5,222 09	0 00
Federated Prime	2,054 910	2,054 91	2,054.91	0 00
Federated Prime	3,561 600	3,561 60	3,561 60	0 00
Federated Prime	4,395 830	4,395 83	4,395 83	0 00
Federated Prime	7,707 740	7,707 74	7,707 74	0 00
Federated Prime	19,439.040	19,439 04	19,439 04	0 00
Federated Prime	57,896 840	57,896 84	57,896 84	0 00
Federated Prime	4,515 390	4,515 39	4,515 39	0 00
Apple	300 000	101,899.79	26,098 46	75,801 33
Cameron Intl Corp	1,000.000	48,168 07	44,636 65	3,531 42
Freeport-MrMoran Cooper	1,000 000	48,439 87	14,790 00	33,649.87
JP Morgan	1,000 000	43,669 16	44,875.30	(1,206 14)
Target	1,000 000	50,217 03	45,279.30	4,937 73
Apple	100 000	40,514 72	8,699 49	31,815 23
Best Buy	3,700 000	84,392.79	160,580.00	(76,187 21)
Best Buy	3,700 000	84,392 79	118,212 12	(33,819 33)
STOCK Capital Gain (Loss)		$ 1,111,550.58	$ 1,073,027 68	$ 38,522 90
Mutual Funds Capital Gain Distributions				-
				$ 38,522 90
BONDS				
Goldman Sachs 1/11		100.000 00	100,050 00	(50 00)
Neveen St Bond		25,025 33	25,151 97	(126 64)
BOND Capital Gain (Loss)		$125 025 33	$125,201 97	($176 64)
TOTAL Capital Gain (Loss)		$1,236,575 91	$1,198,229 65	$38,346.26

Wells Family Foundation, Inc.

Average Monthly Balances

2011

	Cash Balance	FMV of Securities
January	10,422	6,173,374
February	6,626	6,234,945
March	8,179	6,158,844
April	10,871	6,162,160
May	6,816	5,890,647
June	9,148	5,829,352
July	6,164	5,883,226
August	12,437	5,589,611
September	7,403	5,159,231
October	7,602	5,553,007
November	9,967	5,416,654
December	4,720	5,377,044
	100,355	69,428,095
Average 12 Months	8,362	5,785,676
	To Part X Line 1b	To Part X Line 1a

Schedule 11

Wells Family Foundation, Inc.

Contributions
2011

Date	Description		Amount
2/9/2011	Life Outreach	$	10,000 00
3/10/2011	American New Zealand Ass		10,000 00
5/26/2011	Palm Beach Day Academy		150,000 00
5/26/2011	Glory of Zion		10,000 00
8/25/2011	Glory of Zion		10,000 00
11/1/2011	Palm Beach Day Academy		75,000 00
12/6/2011	Lundstroms Center for		2,500 00
	Total 1/1/11 - 12/31/11		267,500

Part XV Line 3a