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

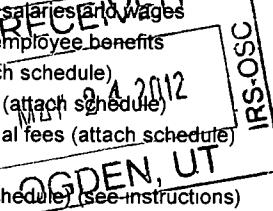
Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

2011

For calendar year 2011 or tax year beginning , and ending

Name of foundation KENNETH O MELBY FAMILY FOUNDATION		A Employer identification number 87-0517013
Number and street (or P O box number if mail is not delivered to street address) 4725 SOUTH HOLLADAY BLVD, #210		Room/suite
City or town, state, and ZIP code SALT LAKE CITY UT 84117		
G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		C If exemption application is pending, check here ► <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1. Foreign organizations, check here ► <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation ► <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 842,182	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	E If private foundation status was terminated under section 507(b)(1)(A), check here ► <input type="checkbox"/>
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► <input type="checkbox"/>

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)
1 Contributions, gifts, grants, etc., received (attach schedule)		40,000			
2 Check ► <input type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		57	57		
4 Dividends and interest from securities		26,003	26,003		
5 a Gross rents			0		
b Net rental income or (loss)	0				
6 a Net gain or (loss) from sale of assets not on line 10		0			
b Gross sales price for all assets on line 6a	0				
7 Capital gain net income (from Part IV, line 2)			13,561		
8 Net short-term capital gain				0	
9 Income modifications					
10 a Gross sales less returns and allowances	0				
b Less Cost of goods sold	0				
c Gross profit or (loss) (attach schedule)		0			
11 Other income (attach schedule)		1,297	1,297	0	
12 Total. Add lines 1 through 11		67,357	40,918	0	
13 Compensation of officers, directors, trustees, etc		0			
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16 a Legal fees (attach schedule)		146	117	0	29
b Accounting fees (attach schedule)		1,224	979	0	245
c Other professional fees (attach schedule)	0	0	0	0	0
17 Interest					
18 Taxes (attach schedule) (see instructions)		154	123	0	31
19 Depreciation (attach schedule) and depletion		0	0	0	
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses (attach schedule)		3,678	2,940	0	738
24 Total operating and administrative expenses.		5,202	4,159	0	1,043
Add lines 13 through 23					
25 Contributions, gifts, grants paid		41,400			41,400
26 Total expenses and disbursements. Add lines 24 and 25		46,602	4,159	0	42,443
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements		20,755			
b Net investment income (if negative, enter -0-)			36,759		
c Adjusted net income (if negative, enter -0-)				0	



Assets	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
1	Cash—non-interest-bearing		10,298	7,467	7,467
2	Savings and temporary cash investments		102,617	128,620	128,620
3	Accounts receivable ►	0			
	Less allowance for doubtful accounts ►	0	0	0	0
4	Pledges receivable ►	0			
	Less allowance for doubtful accounts ►	0	0	0	0
5	Grants receivable				
6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)		0	0	0
7	Other notes and loans receivable (attach schedule) ►	0			
	Less allowance for doubtful accounts ►	0	0	0	0
8	Inventories for sale or use				
9	Prepaid expenses and deferred charges				
10	a Investments—U S and state government obligations (attach schedule)		0	0	0
	b Investments—corporate stock (attach schedule)		475,991	395,438	428,640
	c Investments—corporate bonds (attach schedule)		0	0	0
11	Investments—land, buildings, and equipment basis ►	0			
	Less accumulated depreciation (attach schedule) ►	0	0	0	0
12	Investments—mortgage loans				
13	Investments—other (attach schedule)		174,901	274,478	276,970
14	Land, buildings, and equipment basis ►	0			
	Less accumulated depreciation (attach schedule) ►	0	0	0	0
15	Other assets (describe ► EST FEDERAL TAX)		1,066	485	485
16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)		764,873	806,488	842,182
17	Accounts payable and accrued expenses		0		
18	Grants payable		0		
19	Deferred revenue		0		
20	Loans from officers, directors, trustees, and other disqualified persons		0	0	
21	Mortgages and other notes payable (attach schedule)		0	0	
22	Other liabilities (describe ►)		0	0	
23	Total liabilities (add lines 17 through 22)		0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.	► <input type="checkbox"/>			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	27	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.	► <input checked="" type="checkbox"/>		
	28	Capital stock, trust principal, or current funds		0	0
	29	Paid-in or capital surplus, or land, bldg , and equipment fund			
	30	Retained earnings, accumulated income, endowment, or other funds	764,873	806,488	
	31	Total net assets or fund balances (see instructions)	764,873	806,488	
			764,873	806,488	

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	764,873
2	Enter amount from Part I, line 27a	2	20,755
3	Other increases not included in line 2 (itemize) ► Net asset adjustment	3	20,860
4	Add lines 1, 2, and 3	4	806,488
5	Decreases not included in line 2 (itemize) ►	5	0
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	806,488

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 brck warehouse, or common stock, 200 shs MLC Co)			(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a See Attached Statement					
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 0	0	0	0	0	0
b 0	0	0	0	0	0
c 0	0	0	0	0	0
d 0	0	0	0	0	0
e 0	0	0	0	0	0
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))		
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any			
a 0	0	0	0	0	0
b 0	0	0	0	0	0
c 0	0	0	0	0	0
d 0	0	0	0	0	0
e 0	0	0	0	0	0
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	13,561	
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	-2,282	

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 (col (b) divided by col (c))
2010	33,368	793,844	0 042033
2009	34,605	726,018	0 047664
2008	29,615	706,321	0 041929
2007	27,500	638,351	0 043080
2006	25,357	571,469	0 044372

2 Total of line 1, column (d)

2 0.219078

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 043816

4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5

4 828,340

5 Multiply line 4 by line 3

5 36,295

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

6 368

7 Add lines 5 and 6

7 36,663

8 Enter qualifying distributions from Part XII, line 4

8 42,443

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 ► <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)	
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)	
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	
3	Add lines 1 and 2	
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	
5	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-	
6	Credits/Payments	
a	6a	485
b	6b	0
c	6c	0
d	6d	0
7	Total credits and payments Add lines 6a through 6d	
8	Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	
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 ► 10 117	
11	117	Refunded ► 11 0

Part VII-A Statements Regarding Activities

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?	
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? <i>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</i>	
1c	Did the foundation file Form 1120-POL for this year?	
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? <i>If "Yes," attach a detailed description of the activities</i>	
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? <i>If "Yes," attach a conformed copy of the changes</i>	
4 a	Did the foundation have unrelated business gross income of \$1,000 or more during the year? 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? <i>If "Yes," attach the statement required by General Instruction T</i>	
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?	
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	
8 a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► UT	
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	
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	
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	

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 ► N/A			
14	The books are in care of ► SERVICE SPECIALTIES	Telephone no ► (801) 272-5214	
Located at ► 4725 SO. HOLLADAY BLVD. #210 SALT LAKE CITY UT		ZIP+4 ► 84117	
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the year	► 15	► <input type="checkbox"/>
16	At any time during calendar year 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? See the instructions for exceptions and filing requirements for Form TD F 90-22 1. If "Yes," enter the name of the foreign country ►	16	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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"/>	1b	N/A
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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?	<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)	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)?

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?

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

5b N/A

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

 Yes Nob Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?
If "Yes" to 6b, file Form 8870 Yes No

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?

 Yes No

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
KENNETH MELBY 4725 Holladay Blvd Salt Lake UT 84117	PRES MINIMAL	0	0	0
CHERYL MELBY 4725 Holladay Blvd Salt Lake UT 84117	VP MINIMAL	0	0	0
KAREN TEERLINK 4725 Holladay Blvd Salt Lake UT 84117	SEC MINIMAL	0	0	0
ALAN MELBY 4725 Holladay Blvd Salt Lake UT 84117	TREAS MINIMAL	0	0	0

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
NONE				

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

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		0
		0
		0
		0
		0
		0

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	N/A	
2		
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		0
Total. Add lines 1 through 3		0

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	715,677
b	Average of monthly cash balances	1b	124,501
c	Fair market value of all other assets (see instructions)	1c	776
d	Total (add lines 1a, b, and c)	1d	840,954
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	840,954
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	12,614
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	828,340
6	Minimum investment return. Enter 5% of line 5	6	41,417

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	41,417
2a	Tax on investment income for 2011 from Part VI, line 5	2a	368
b	Income tax for 2011 (This does not include the tax from Part VI)	2b	0
c	Add lines 2a and 2b	2c	368
3	Distributable amount before adjustments Subtract line 2c from line 1	3	41,049
4	Recoveries of amounts treated as qualifying distributions	4	0
5	Add lines 3 and 4	5	41,049
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	41,049

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	42,443
b	Program-related investments—total from Part IX-B	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	0
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	0
b	Cash distribution test (attach the required schedule)	3b	0
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	42,443
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	368
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	42,075

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				41,049
2 Undistributed income, if any, as of the end of 2011			39,111	
a Enter amount for 2010 only		0		
b Total for prior years 20 ____, 20 ____				
3 Excess distributions carryover, if any, to 2011				
a From 2006	0			
b From 2007	0			
c From 2008	0			
d From 2009	0			
e From 2010	0			
f Total of lines 3a through e	0			
4 Qualifying distributions for 2011 from Part XII, line 4 ► \$ 42,443			39,111	
a Applied to 2010, but not more than line 2a		0		
b Applied to undistributed income of prior years (Election required—see instructions)				
c Treated as distributions out of corpus (Election required—see instructions)	0			
d Applied to 2011 distributable amount				3,332
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))	0			0
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0			
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 instructions			0	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				37,717
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	0			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9				
a Excess from 2007	0			
b Excess from 2008	0			
c Excess from 2009	0			
d Excess from 2010	0			
e Excess from 2011	0			

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 SEE ATTACHED SCHEDULE		501(C)(3)	charity	41,400
Total			► 3a	41,400
b Approved for future payment				
Total			► 3b	0

Part XVI-A | Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a		0		0	0
b		0		0	0
c		0		0	0
d		0		0	0
e		0		0	0
f		0		0	0
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	57	
4 Dividends and interest from securities			14	26,003	
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			18	13,561	
8 Gain or (loss) from sales of assets other than inventory				0	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue	a				
b		0		0	0
c		0		0	0
d		0		0	0
e		0		0	0
12 Subtotal Add columns (b), (d), and (e)		0		39,621	0
13 Total Add line 12, columns (b), (d), and (e)					39,621

(See worksheet in line 13 instructions to verify calculations)

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

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

OMB No 1545-0047

2011

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

Name of the organization

KENNETH O. MELBY FAMILY FOUNDATION

Employer identification number

Organization type (check one)

Filers of:

Form 990 or 990-EZ

Section:

- 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 foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions

General Rule

- For 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)

Name of organization

KENNETH O MELBY FAMILY FOUNDATION

Employer identification number

87-0517013

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	KENNETH O MELBY 4725 HOLLADAY BLVD SALT LAKE CITY UT 84117 Foreign State or Province _____ Foreign Country _____	\$ 40,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
2	_____ Foreign State or Province _____ Foreign Country _____	\$ 0	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
3	_____ Foreign State or Province _____ Foreign Country _____	\$ 0	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
4	_____ Foreign State or Province _____ Foreign Country _____	\$ 0	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
5	_____ Foreign State or Province _____ Foreign Country _____	\$ 0	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
6	_____ Foreign State or Province _____ Foreign Country _____	\$ 0	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

Melby Family Foundation Donations		2011
Arthritis Foundation Utah/Idaho Chapter	\$ 1,000 00	
448 East 400 South, Suite 103 Salt Lake City, UT 84111 Angie Pearson -Arthritis Walk		
Ability Foundation	\$ 1,000 00	
5236 S Greenpine Drive Salt Lake City, UT 84123		
Salt Lake Education Foundation	\$ 1,500 00	
C/O Wendi Dunford 1965 Downington Ave Salt Lake City, UT 84108		
University Hospital Foundation	\$ 2,000 00	
540 Arapeen Dr , Ste 130 Salt Lake City, UT 84108		
University of Utah Scholarships & Fellowships	\$ 3,500 00	
540 Arapeen Dr , Ste 250 Salt Lake City, UT 84108		
Redwood Elementary School	\$ 3,000 00	
Attn Angela Gonzalez 2650 S Redwood Road W Valley City, UT 84119-2399		
Maliheh Free Clinic	\$ 1,000 00	
Attn Dr Mansoor Emam 415 E 3900 S Salt Lake City, UT 84107		
The Road Home	\$ 1,000 00	
210 South Rio Grande Street Salt Lake City, Utah 84101		
Utah Food Bank	\$ 3,650 00	
1025 South 700 West Salt Lake City, UT 84104-9947		
Perpetual Education Fund	\$ 2,000 00	
50 E North Temple 9th Floor Salt Lake City, UT 84150-1501		
Intermountain Research & Medical Foundation	\$ 2,000 00	
PO Box 45143 Salt Lake City, UT 84145-9944 Becky Lloyd-507-5136		
Deseret International Foundation	\$ 2,000 00	
1282 E Cambridge Court Provo, UT 84604		
HIRSCHE SMILE	\$ 2,000 00	
375 S Main #2 Alpine, UT 84004		
Humanitarian Service -LDS	\$ 2,000 00	
50 East North Temple St Floor 7 Salt Lake City, UT 84150-6890		
Second Chance for Homeless Pet	\$ 1,000 00	
200 E Gordon Lane Murray, UT 84107		
Utah Sheriff's Assoc. Scholarship Fund	\$ 1,000 00	
P O Box 489 Santa Clara, UT 84765		
Crossroads Urban Center	\$ 1,000 00	
347 South 400 East Salt Lake City, UT 84111		
Faye and Charolette Bryner Scholarship	\$ 1,000 00	
For Native American Students		
Attn Julie Gerstner Dean's Office of Education 1705 Campus Center Drive, Rm 225 Salt Lake City, UT 84112-9251		

JMS,C/O USDB- UT School for Deaf & Blind	\$ 500 00
ATTN Sarah Leathers 1655 E 3300 South Salt Lake City, UT 84106	
Heifer Foundation	\$ 500 00
P O Box 727 Little Rock, AR 72203	
SIGHS OF HOPE INTERNATIONAL	\$ 500 00
375 S Main Street, Ste #2 Alpine, UT 84004	
CITY OF HOLLADAY	\$ 1,000 00
4580 So 2300 East Holladay, UT 84117	
MMOFRA TROM Foundation	\$ 1,000 00
P O Box 17347 Salt Lake City, UT 84117	
AFTI	\$ 1,000 00
C/O ATA 225 Reinekers Lane, Suite 590 Alexandria, VA 22314	
BYU COLLEGE OF HUMANITIES	\$ 4,500 00
Translation Research Project 1223 Aspen Ave Provo, UT 84604	
VIDA	WOMEN'S WORLD
686 E Garden Ave	HEALTH INITIATIVE
Salt Lake City, UT 84108	9071N Jeremy Cir Park City, UT 84098
Total Donated	\$ 41,400 00

4770 S 5600 W
P O BOX 704005
WEST VALLEY CITY UTAH 84170
FED TAX ID # 87-0217663

The Salt Lake Tribune
www.sltrib.com

MEDIAONE
www.mediaone.com

Deseret News
www.deseretnews.com

PROOF OF PUBLICATION

CUSTOMER'S COPY

CUSTOMER NAME AND ADDRESS	ACCOUNT NUMBER	DATE
DIBB.ROGER 4725 SO HOLLADAY BLVD #200 SALT LAKE CITY UT 84117	9001454511	5/9/2012

ACCOUNT NAME	
DIBB.ROGER	
TELEPHONE	AD ORDER# / INVOICE NUMBER
8012782497	0000790974 /
SCHEDULE	
Start 05/09/2012	End 05/09/2012
CUST. REF. NO.	
Melby	
CARTION	
PUBLIC NOTICE Public notice is hereby given that the annual report of the Kenneth O Melby	
SIZE	
20 Lines	100 COLUMN
TIMES	RATES
4	
MISC. CHARGES	AD CHARGES
TOTAL COST	
38.60	

PUBLIC NOTICE

Public notice is hereby given that the annual report of the Kenneth O Melby Family Foundation is available for inspection of the accounting office during regular business hours by any citizen who requests inspection within 180 days after the date this notice is published. The address and phone number of the Foundation accounting office is 4725 Holladay Blvd, Holladay, UT 84117, 801-278-2497. The person to contact for inspection is Roger Dibb 790974. UPAXLP

AFFIDAVIT OF PUBLICATION

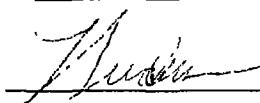
AS NEWSPAPER AGENCY COMPANY LLC dba MEDIAONE OF UTAH LEGAL BOOKER I CERTIFY THAT THE ATTACHED ADVERTISEMENT OF **PUBLIC NOTICE** **Public notice is hereby given that the annual report of the Kenneth O. Melby Family Foundation is available for inspection at the accounting office** FOR **DIBB.ROGER** WAS PUBLISHED BY THE NEWSPAPER AGENCY COMPANY LLC dba MEDIAONE OF UTAH, AGENT FOR THE SALT LAKE TRIBUNE AND DESERET NEWS, DAILY NEWSPAPERS PRINTED IN THE ENGLISH LANGUAGE WITH GENERAL CIRCULATION IN UTAH AND PUBLISHED IN SALT LAKE CITY, SALT LAKE COUNTY IN THE STATE OF UTAH. NOTICE IS ALSO POSTED ON UTAHLEGALS.COM ON THE SAME DAY AS THE FIRST NEWSPAPER PUBLICATION DATE AND REMAINS ON UTAHLEGALS.COM INDEFINITELY.

PUBLISHED ON

Start 05/09/2012

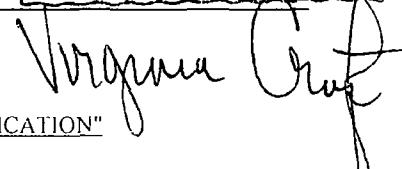
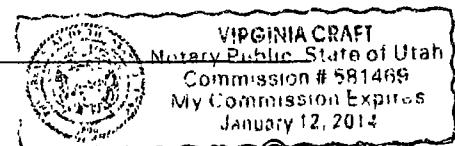
End 05/09/2012

SIGNATURE



DATE

5/9/2012



Virginia Craft

THIS IS NOT A STATEMENT BUT A "PROOF OF PUBLICATION"
PLEASE PAY FROM BILLING STATEMENT

Line 18 (990-PF) - Taxes

	Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes	31
1	Real estate tax not included in line 20					
2	Tax on investment income					
3	Income tax					
4	FOREIGN TAX PAID-MORGAN STANLEY	34	27	7		
5	FOREIGN TAX PAID-WELLS FARGO	120	96	24		
6						
7						
8						
9						
10						

Line 23 (990-PF) - Other Expenses

	Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes	
1	OFFICE	64	49		15	
2	BROKER FEES - WELLS FARGO	3,566	2,853		713	
3	INVESTMENT EXPENSE - WELLS FARGO	48	38		10	
4						
5						
6						
7						
8						
9						

Part IV (990-PF) - Capital Gains and Losses for Tax on Investment Income

	Amount															
	Long Term CG Distributions	Short Term CG Distributions														
	0	0														
Kind(s) of Property Sold																
1 H&Q HLTHCARE FD SBI	P	7/13/2010	1/7/2011	28,011		23,324	4,687									
2 SPDR GOLD TR GOLD SHS	P	1/26/2009	1/26/2011	23,328		16,494	6,834									
3 ISHARES BARCLAYS 1-3 YR TSY BD	P	9/17/2008	2/4/2011	24,695		24,289	406									
4 ISHARES NASDAQ BIOTECH FUND	P	7/30/2010	2/28/2011	13,087		0	11,196	1,891								
5 ISHARES BARCLAYS AGG BD FD	P	12/31/2007	4/6/2011	40,216		38,920	1,296									
6 PROSHARES SHORT MSCI EAFE	P	5/17/2010	5/2/2011	27,070		33,429	-6,359									
7 PWR SH DB US \$ IND BULL FD ETF	P	11/10/2010	5/2/2011	19,105		20,696	-1,591									
8 FINANCIAL SELECT ETF SECTOR SPDR	P	4/6/2011	8/2/2011	21,790		0	24,666	-2,876								
9 POWERSHARES QQQ TR ETF SERIES1	P	8/11/2011	8/18/2011	20,445		20,847	-402									
10 POWERSHARES SHORT DOW ETF 30	P	10/5/2011	10/5/2011	14,741		14,770	-29									
11 POWERSHARES SHORT RUSSELL2000	P	5/4/2011	8/5/2011	18,950		0	16,553	2,397								
12 BANK OF AMERICA 7 25 SERIES L	P	6/16/2010	9/2/2011	13,845		0	14,720	-875								
13 ISHARES BARCLAYS TIPS BOND FD	P	10/23/2008	8/10/2011	20,670		0	17,235	3,435								
14 ISHARES MSCI CANADA INDEX FD	P	1/15/2010	8/22/2011	26,465		0	22,952	3,513								
15 WALMART STORES INC	P	7/19/2010	10/10/2011	12,355		0	11,121	1,234								
16				0		0	0	0								
17				0		0	0	0								

Application for Extension of Time To File an
Exempt Organization Return

► File a separate application for each return.

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

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

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*

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

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

Part I only ►

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

Enter filer's identifying number, see Instructions

Type or print File by the due date for filing your return. See instructions	Name of exempt organization or other filer, see instructions KENNETH O MELBY FAMILY FOUNDATION	Employer identification number (EIN) or <input checked="" type="checkbox"/> 87-0517013
	Number, street, and room or suite no. If a P O box, see instructions 4725 SOUTH HOLLADAY BLVD, #210	Social security number (SSN) <input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions SALT LAKE CITY	UT 84117

Enter the Return code for the return that this application is for (file a separate application for each return)

04

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ► SERVICE SPECIALTIES

Telephone No. ► (801) 272-5214

FAX No ►

- If the organization does not have an office or place of business in the United States, check this box ►
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____

If this is

for the whole group, check this box ► If it is for part of the group, check this box ► and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 8/15/2012, to file the exempt organization return for the organization named above. The extension is for the organization's return for

► calendar year 2011 or► tax year beginning _____, and ending _____

2 If the tax year entered in line 1 is for less than 12 months, check reason Initial return Final return
 Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	3a	\$	368
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	3b	\$	485
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c	\$	0

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