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

2011

Department of the Treasury
Internal Revenue Service

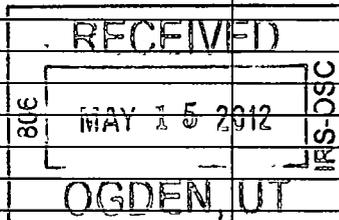
Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 2011 or tax year beginning

, and ending

Name of foundation THE DAVID AND HEIDI WELCH FOUNDATION		A Employer identification number 94-3332166
Number and street (or P O box number if mail is not delivered to street address) 217 CAMINO AL LAGO	Room/suite	B Telephone number 650-326-9339
City or town, state, and ZIP code ATHERTON, CA 94027		C If exemption application is pending, check here <input type="checkbox"/>
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		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <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		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 1,185,755. (Part I, column (d) must be on cash basis.)	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	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 <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))</small>		(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				N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		6.	6.		STATEMENT 1
4 Dividends and interest from securities		38,467.	38,467.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		<44,812.>			
b Gross sales price for all assets on line 6a 730,144.					
7 Capital gain net income (from Part IV, line 2)			0.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income					
12 Total Add lines 1 through 11		<6,339.>	38,473.		
13 Compensation of officers, directors, trustees, etc		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees STMT 3		2,750.	1,375.		1,375.
c Other professional fees STMT 4		9,637.	9,637.		0.
17 Interest					
18 Taxes STMT 5		353.	353.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 6		70.	0.		70.
24 Total operating and administrative expenses. Add lines 13 through 23		12,810.	11,365.		1,445.
25 Contributions, gifts, grants paid		716,000.			716,000.
26 Total expenses and disbursements. Add lines 24 and 25		728,810.	11,365.		717,445.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		<735,149.>			
b Net investment income (if negative, enter -0-)			27,108.		
c Adjusted net income (if negative, enter -0-)				N/A	



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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	50,000.	51,226.	51,226.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 7	1,973,987.	1,238,159.	1,133,609.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment: basis ▶			
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other				
14 Land, buildings, and equipment: basis ▶				
Less: accumulated depreciation ▶				
15 Other assets (describe ▶ ACCRUED DIVIDENDS)	1,467.	920.	920.	
16 Total assets (to be completed by all filers)	2,025,454.	1,290,305.	1,185,755.	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)	0.	0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	and complete lines 24 through 26 and lines 30 and 31			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	625.	625.	
28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.		
29 Retained earnings, accumulated income, endowment, or other funds	2,024,829.	1,289,680.		
30 Total net assets or fund balances	2,025,454.	1,290,305.		
31 Total liabilities and net assets/fund balances	2,025,454.	1,290,305.		

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	2,025,454.
2 Enter amount from Part I, line 27a	2	<735,149.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	1,290,305.
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	1,290,305.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEI LT LOSS	P	VARIOUS	12/20/11
b CAPITAL GAINS DIVIDENDS			
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 729,678.		774,956.	<45,278.>
b 466.			466.
c			
d			
e			

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			<45,278.>
b			466.
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	<44,812.>
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		3	N/A

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	340,058.	1,837,060.	.185110
2009	128,830.	1,733,898.	.074301
2008	306,954.	2,605,520.	.117809
2007	45,245.	3,178,670.	.014234
2006	416,665.	2,998,153.	.138974

2 Total of line 1, column (d)	2	.530428
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	.106086
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	1,742,363.
5 Multiply line 4 by line 3	5	184,840.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	271.
7 Add lines 5 and 6	7	185,111.
8 Enter qualifying distributions from Part XII, line 4	8	717,445.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		
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	1	271.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0.
3	Add lines 1 and 2	3	271.
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	271.
6	Credits/Payments:		
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	686.
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	686.
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	415.
11	Enter the amount of line 10 to be: Credited to 2012 estimated tax <input checked="" type="checkbox"/> 415. Refunded <input type="checkbox"/>	11	0.

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
1b		X
1c		X
2		X
3		X
4a		X
4b		
5		X
6	X	
7	X	
8a		
8b	X	
9		X
10		X

N/A

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? Website address ▶ <u>N/A</u>	13	X	
14	The books are in care of ▶ <u>FOUNDERS FINANCIAL NETWORK</u> Telephone no. ▶ <u>408-366-8925</u> Located at ▶ <u>10050 N WOLFE RD, SW1-281, CUPERTINO, CA</u> ZIP+4 ▶ <u>95041</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year ▶ <u>15</u> <u>N/A</u>			
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	No
				X

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <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 <u>N/A</u> ▶ <input type="checkbox"/>	1b	
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ _____, _____, _____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) <u>N/A</u>	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ _____, _____, _____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011) <u>N/A</u>	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b	X

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

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

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? Yes No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? Yes No
 Organizations relying on a current notice regarding disaster assistance check here N/A

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) N/A

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? Yes No
 If "Yes" to 6b, file Form 8870. X

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

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No 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.

(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
DAVID F WELCH 217 CAMINO AL LAGO ATHERTON, CA 94027	DIRECTOR AND	PRESIDENT		
HEIDI A WELCH 217 CAMINO AL LAGO ATHERTON, CA 94027	DIRECTOR/VP/	SECRETARY/CFO		

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

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

Total number of other employees paid over \$50,000 0

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

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

Total number of others receiving over \$50,000 for professional services ▶ 0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 FINANCIAL SUPPORT FOR CHARITABLE ORGANIZATIONS BENEFITTING THE COMMUNITY, INCLUDING RELATED ADMINISTRATIVE EXPENSES	0.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 NO PROGRAM RELATED INVESTMENTS WERE MADE DURING THE YEAR	0.
2	
3 All other program-related investments. See instructions.	
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	1,702,976.
b	Average of monthly cash balances	1b	65,920.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	1,768,896.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	1,768,896.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	26,533.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,742,363.
6	Minimum investment return. Enter 5% of line 5	6	87,118.

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	87,118.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	271.
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	271.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	86,847.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	86,847.
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	86,847.

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	717,445.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	717,445.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	271.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	717,174.

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				86,847.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006	270,887.			
b From 2007				
c From 2008	177,922.			
d From 2009	43,047.			
e From 2010	248,833.			
f Total of lines 3a through e	740,689.			
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ \$	717,445.			
a Applied to 2010, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2011 distributable amount				86,847.
e Remaining amount distributed out of corpus	630,598.			
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:	1,371,287.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	270,887.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	1,100,400.			
10 Analysis of line 9:				
a Excess from 2007				
b Excess from 2008	177,922.			
c Excess from 2009	43,047.			
d Excess from 2010	248,833.			
e Excess from 2011	630,598.			

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			(e) Total
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
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 foundation 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).)

SEE STATEMENT 8

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

NONE

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

Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see 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				
MENLO SCHOOL ANNUAL FUND 50 VALPARISO AVENUE MENLO PARK, CA 94027	NA	501(C)3 PUBLIC CHARITY	EDUCATION	10,000.
MENLO SCHOOL CAPITAL CAMPAIGN 50 VALPARISO AVENUE MENLO PARK, CA 94027	NA	501(C)3 PUBLIC CHARITY	EDUCATION	10,000.
NATURAL RESOURCE DEFENSE COUNCIL 40 W 20TH ST NEW YORK, NY 10011	NA	501(C)3 PUBLIC CHARITY	SUPPORT CENTER FOR MARKET INNOVATION FELLOWS	260,000.
RIEKES CENTER 3455 EDISON WAY MENLO PARK, CA 94025	NA	501(C)3 PUBLIC CHARITY	EDUCATION - MENTORING PROGRAM	5,000.
SACRED HEART NATIVITY 310 EDWARDS AVENUE SAN JOSE, CA 95110	NA	501(C)3 PUBLIC CHARITY	EDUCATION	7,000.
Total SEE CONTINUATION SHEET(S) ▶ 3a				716,000.
b Approved for future payment				
NONE				
Total				0.

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

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
STANFORD GRADUATE SCHOOL OF BUSINESS 326 GALVEZ STREET STANFORD, CA 94305	NA	501(C)3 PUBLIC CHARITY	EDUCATION	1,000.
UCLA SCHOOL OF NURSING 1920 WILSHIRE BLVD LOS ANGELES, CA 90024	NA	501(C)3 PUBLIC CHARITY	EDUCATION	5,000.
CORNELL UNIVERSITY 242 CARPENTER HALL ITHACA, NY 14853	NA	501(C)3 PUBLIC CHARITY	SCHOOL OF ENGINEERING AND CLASSROOM UPGRADES	10,000.
EAST PALO ALTO CHARTER SCHOOLS 1286 RUNNYMEADE STREET EAST PALO ALTO, CA 94303	NA	501(C)3 PUBLIC CHARITY	EDUCATION	1,000.
EQUAL OPPORTUNITY SCHOOLS 999 N NORTHLAKE WAY SEATTLE, WA 98103	NA	501(C)3 PUBLIC CHARITY	SUPPORT FOR AT RISK STUDENTS	1,000.
NEW SCHOOLS VENTURE 49 STEVENSON ST SAN FRANCISCO, CA 94105	NA	501(C)3 PUBLIC CHARITY	EDUCATION	200,000.
NURU INTERNATIONAL 855 EL CAMINO REAL PALO ALTO, CA 94301	NA	501(C)3 PUBLIC CHARITY	RELIEF OF POVERTY	5,000.
REEVE IRVINE RESEARCH CENTER 1105 GILLSPIE RESEACH FACILITY IRVINE, CA 92697	NA	501(C)3 PUBLIC CHARITY	RESEARCH SPINAL CORD INJURIES	1,000.
STUDENTS FIRST FOUNDATION 325 SHARON PARK DRIVE MENLO PARK, CA 94025	NA	501(C)3 PRIVATE CHARITY	EDUCATION REFORM	200,000.
Total from continuation sheets				424,000.

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
SCHWAB	6.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	6.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
SEI INVESTMENTS	38,933.	466.	38,467.
TOTAL TO FM 990-PF, PART I, LN 4	38,933.	466.	38,467.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	2,750.	1,375.		1,375.
TO FORM 990-PF, PG 1, LN 16B	2,750.	1,375.		1,375.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ADVISOR FEES	9,637.	9,637.		0.
TO FORM 990-PF, PG 1, LN 16C	9,637.	9,637.		0.

2011 Tax Information Statement

Account Number: 152059
 Recipient's Tax ID Number: 94-3332166

Recipient's Name and Address:
 THE DAVID & HEIDI WELCH FOUNDATION
 217 CAMINO AL LAGO
 ATHERTON, CA 94027

Corrected 2nd TIN notice

SEI PRIVATE TRUST COMPANY
 ONE FREEDOM VALLEY DRIVE
 OAKS, PA 19456

2011 Proceeds from Broker and Barter Exchange Transactions

Sales are listed at Gross Proceeds less commissions and option premiums.

Number of shares	CUSIP	Description	Date Acquired	Date of Sale	Stocks, Bonds, etc.	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld
Long Term 15% Sales								
31,2060	78411R851	EMERGING MKTS DEBT FUND (SITEX)	03/30/2004	03/15/2011	347.95	322.67	25.28	0.00
2535,3390	78411R851	EMERGING MKTS DEBT FUND (SITEX)	03/30/2004	03/16/2011	28,269.03	26,215.41	2,053.62	0.00
29,4170	78411R851	EMERGING MKTS DEBT FUND (SITEX)	03/30/2004	04/28/2011	331.82	304.17	27.65	0.00
1441,4510	78411R851	EMERGING MKTS DEBT FUND (SITEX)	03/30/2004	05/03/2011	16,360.47	14,904.60	1,455.87	0.00
2,450	78411R851	EMERGING MKTS DEBT FUND (SITEX)	03/30/2004	05/05/2011	2.78	2.53	0.25	0.00
31,3800	78411R851	EMERGING MKTS DEBT FUND (SITEX)	03/30/2004	09/01/2011	361.81	324.47	37.34	0.00
2133,7640	78411R851	EMERGING MKTS DEBT FUND (SITEX)	03/30/2004	10/11/2011	22,916.61	22,063.12	853.49	0.00
32,7070	78411R851	EMERGING MKTS DEBT FUND (SITEX)	03/30/2004	11/11/2011	367.30	338.19	29.11	0.00
2726,6130	78411R851	EMERGING MKTS DEBT FUND (SITEX)	03/30/2004	12/08/2011	30,265.41	28,870.01	1,395.40	0.00
707,5140	78411R851	EMERGING MKTS DEBT FUND (SITEX)	03/30/2004	12/20/2011	7,825.12	7,576.47	248.65	0.00
7,0310	78411R703	EMERGING MKTS EQUITY FUND (SIEMX)	03/30/2004	03/15/2011	80.50	79.03	1.47	0.00
567,8710	78411R703	EMERGING MKTS EQUITY FUND (SIEMX)	03/30/2004	03/16/2011	6,445.34	6,382.86	62.48	0.00
6,4670	78411R703	EMERGING MKTS EQUITY FUND (SIEMX)	03/30/2004	04/28/2011	81.22	72.69	8.53	0.00
321,2360	78411R703	EMERGING MKTS EQUITY FUND (SIEMX)	03/30/2004	05/03/2011	3,992.96	3,610.68	382.28	0.00
0,0540	78411R703	EMERGING MKTS EQUITY FUND (SIEMX)	03/30/2004	05/05/2011	0.65	0.61	0.04	0.00
6,7950	78411R703	EMERGING MKTS EQUITY FUND (SIEMX)	03/30/2004	09/01/2011	73.11	76.38	-3.27	0.00
455,5080	78411R703	EMERGING MKTS EQUITY FUND (SIEMX)	03/30/2004	10/11/2011	4,277.23	6,543.10	-2,265.87	0.00

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 ATHERTON, CA 94027

Corrected 2nd TIN notice

SEI PRIVATE TRUST COMPANY
 ONE FREEDOM VALLEY DRIVE
 OAKS, PA 19456

Number of shares	CUSIP	Description	Date Acquired	Date of Sale	Stocks, Bonds, etc.	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld
6.8240	78411R703	EMERGING MKTS EQUITY FUND (SIEMX)	12/07/2005	11/11/2011	68.51	102.16	-33.65	0.00
594.5590	78411R703	EMERGING MKTS EQUITY FUND (SIEMX)		12/08/2011	5,678.04	9,647.36	-3,969.32	0.00
146.1900	78411R703	EMERGING MKTS EQUITY FUND (SIEMX)	12/06/2006	12/20/2011	1,353.72	2,422.37	-1,068.65	0.00
38.6990	783925647	HIGH YIELD BOND FUND (SHYAX)	03/30/2004	03/15/2011	291.40	331.65	-40.25	0.00
3142.8340	783925647	HIGH YIELD BOND FUND (SHYAX)	03/30/2004	03/16/2011	23,665.53	26,934.08	-3,268.55	0.00
36.2730	783925647	HIGH YIELD BOND FUND (SHYAX)	03/30/2004	04/28/2011	276.40	310.86	-34.46	0.00
1789.8030	783925647	HIGH YIELD BOND FUND (SHYAX)	03/30/2004	05/03/2011	13,656.20	15,338.61	-1,682.41	0.00
30.10	783925647	HIGH YIELD BOND FUND (SHYAX)	03/30/2004	05/05/2011	2.30	2.58	-0.28	0.00
39.0430	783925647	HIGH YIELD BOND FUND (SHYAX)	03/30/2004	09/01/2011	280.72	334.60	-53.88	0.00
2655.4880	783925647	HIGH YIELD BOND FUND (SHYAX)	03/30/2004	10/11/2011	18,243.20	22,757.52	-4,514.32	0.00
40.9500	783925647	HIGH YIELD BOND FUND (SHYAX)	03/30/2004	11/11/2011	291.97	350.94	-58.97	0.00
3432.4830	783925647	HIGH YIELD BOND FUND (SHYAX)		12/08/2011	24,336.31	29,310.76	-4,974.45	0.00
892.9110	783925647	HIGH YIELD BOND FUND (SHYAX)		12/20/2011	6,330.73	7,841.80	-1,511.07	0.00
43.0510	78411R109	INTERNATIONAL EQUITY FUND (SEITX)	08/15/2001	03/15/2011	370.24	417.16	-46.92	0.00
3495.5460	78411R109	INTERNATIONAL EQUITY FUND (SEITX)		03/16/2011	29,467.46	32,149.31	-2,681.85	0.00
38.7170	78411R109	INTERNATIONAL EQUITY FUND (SEITX)	01/22/2004	04/28/2011	371.30	384.07	-12.77	0.00
1939.4760	78411R109	INTERNATIONAL EQUITY FUND (SEITX)	01/22/2004	05/03/2011	18,580.18	19,239.60	-659.42	0.00
3.300	78411R109	INTERNATIONAL EQUITY FUND (SEITX)	01/22/2004	05/05/2011	3.08	3.27	-0.19	0.00
41.6270	78411R109	INTERNATIONAL EQUITY FUND (SEITX)	01/22/2004	09/01/2011	340.51	412.94	-72.43	0.00
2786.5060	78411R109	INTERNATIONAL EQUITY FUND (SEITX)	01/22/2004	10/11/2011	21,428.22	27,642.14	-6,213.92	0.00

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 ATHERTON, CA 94027

Corrected 2nd TIN notice

SEI PRIVATE TRUST COMPANY
 ONE FREEDOM VALLEY DRIVE
 OAKS, PA 19456

Number of shares	CUSIP	Description	Date Acquired	Date of Sale	Stocks Bonds, etc.	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld
41.3410	78411R109	INTERNATIONAL EQUITY FUND (SEITX)	01/22/2004	11/11/2011	325.77	410.10	-84.33	0.00
3597.8360	78411R109	INTERNATIONAL EQUITY FUND (SEITX)	01/22/2004	12/08/2011	27,271.60	35,690.54	-8,418.94	0.00
888.8590	78411R109	INTERNATIONAL EQUITY FUND (SEITX)	01/22/2004	12/20/2011	6,693.11	8,817.48	-2,124.37	0.00
25.9630	783925662	LARGE CAP GROWTH FUND (SELGX)	08/15/2001	03/15/2011	573.79	513.55	60.24	0.00
2133.8080	783925662	LARGE CAP GROWTH FUND (SELGX)	08/15/2001	03/16/2011	46,282.28	42,206.72	4,075.56	0.00
24.0050	783925662	LARGE CAP GROWTH FUND (SELGX)	08/15/2001	04/28/2011	568.21	474.82	93.39	0.00
1187.4010	783925662	LARGE CAP GROWTH FUND (SELGX)	08/15/2001	05/03/2011	27,856.43	23,486.79	4,369.64	0.00
2000.	783925662	LARGE CAP GROWTH FUND (SELGX)	08/15/2001	05/05/2011	4.62	3.96	0.66	0.00
25.6120	783925662	LARGE CAP GROWTH FUND (SELGX)	08/15/2001	09/01/2011	547.33	506.61	40.72	0.00
1695.4970	783925662	LARGE CAP GROWTH FUND (SELGX)	08/15/2001	10/11/2011	35,486.73	33,536.93	1,949.80	0.00
25.4720	783925662	LARGE CAP GROWTH FUND (SELGX)	08/15/2001	11/11/2011	563.96	503.84	60.12	0.00
2196.9660	783925662	LARGE CAP GROWTH FUND (SELGX)		12/08/2011	47,432.49	43,228.63	4,203.86	0.00
543.1020	783925662	LARGE CAP GROWTH FUND (SELGX)	11/09/2001	12/20/2011	11,790.75	10,177.73	1,613.02	0.00
31.9230	783925100	LARGE CAP VALUE FUND (TRMVX)	08/15/2001	03/15/2011	533.44	616.43	-82.99	0.00
2620.6700	783925100	LARGE CAP VALUE FUND (TRMVX)		03/16/2011	43,031.42	47,271.35	-4,239.93	0.00
29.5620	783925100	LARGE CAP VALUE FUND (TRMVX)	11/09/2001	04/28/2011	521.77	530.34	-8.57	0.00
1459.4010	783925100	LARGE CAP VALUE FUND (TRMVX)	11/09/2001	05/03/2011	25,700.06	26,181.65	-481.59	0.00
2480.	783925100	LARGE CAP VALUE FUND (TRMVX)	11/09/2001	05/05/2011	4.29	4.45	-0.16	0.00
31.7880	783925100	LARGE CAP VALUE FUND (TRMVX)	11/09/2001	09/01/2011	483.50	570.28	-86.78	0.00
2121.3980	783925100	LARGE CAP VALUE FUND (TRMVX)	11/09/2001	10/11/2011	31,630.04	38,057.88	-6,427.84	0.00

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Number of shares	CUSIP	Description	Date Acquired	Date of Sale	Stocks, Bonds, etc.	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld
31.6930	783925100	LARGE CAP VALUE FUND (TRMVX)	11/09/2001	11/11/2011	506.14	568.57	-62.43	0.00
2752.0040	783925100	LARGE CAP VALUE FUND (TRMVX)	11/09/2001	12/08/2011	42,766.14	49,370.96	-6,604.82	0.00
674.4950	783925100	LARGE CAP VALUE FUND (TRMVX)		12/20/2011	10,549.10	12,309.46	-1,760.36	0.00
7.3740	783925837	SMALL CAP GROWTH FUND (SSCGX)	11/09/2001	03/15/2011	128.82	101.32	27.50	0.00
603.0180	783925837	SMALL CAP GROWTH FUND (SSCGX)	11/09/2001	03/16/2011	10,432.21	8,285.47	2,146.74	0.00
6.8060	783925837	SMALL CAP GROWTH FUND (SSCGX)	11/09/2001	04/28/2011	131.49	93.51	37.98	0.00
341.4800	783925837	SMALL CAP GROWTH FUND (SSCGX)	11/09/2001	05/03/2011	6,440.31	4,691.94	1,748.37	0.00
.0570	783925837	SMALL CAP GROWTH FUND (SSCGX)	11/09/2001	05/05/2011	1.05	0.78	0.27	0.00
7.3660	783925837	SMALL CAP GROWTH FUND (SSCGX)	11/09/2001	09/01/2011	115.94	101.21	14.73	0.00
480.8280	783925837	SMALL CAP GROWTH FUND (SSCGX)	11/09/2001	10/11/2011	7,371.08	6,606.58	764.50	0.00
7.2060	783925837	SMALL CAP GROWTH FUND (SSCGX)	11/09/2001	11/11/2011	120.77	99.01	21.76	0.00
631.9690	783925837	SMALL CAP GROWTH FUND (SSCGX)		12/08/2011	10,301.08	9,926.21	374.87	0.00
152.9200	783925837	SMALL CAP GROWTH FUND (SSCGX)	03/30/2004	12/20/2011	2,510.94	2,588.93	-77.99	0.00
8.7040	783925688	SMALL CAP VALUE FUND (SESVX)	03/30/2004	03/15/2011	153.46	179.13	-25.67	0.00
712.6210	783925688	SMALL CAP VALUE FUND (SESVX)	03/30/2004	03/16/2011	12,406.75	14,665.75	-2,259.00	0.00
8.0300	783925688	SMALL CAP VALUE FUND (SESVX)	03/30/2004	04/28/2011	151.60	165.26	-13.66	0.00
398.3550	783925688	SMALL CAP VALUE FUND (SESVX)	03/30/2004	05/03/2011	7,413.39	8,198.15	-784.76	0.00
.0670	783925688	SMALL CAP VALUE FUND (SESVX)	03/30/2004	05/05/2011	1.23	1.38	-0.15	0.00
8.7280	783925688	SMALL CAP VALUE FUND (SESVX)	03/30/2004	09/01/2011	135.46	179.62	-44.16	0.00
568.8730	783925688	SMALL CAP VALUE FUND (SESVX)	03/30/2004	10/11/2011	8,646.89	11,707.41	-3,060.52	0.00

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Number of shares	CUSIP	Description	Date Acquired	Date of Sale	Stocks Bonds, etc.	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld
8.5380	783925688	SMALL CAP VALUE FUND (SESVX)	03/30/2004	11/11/2011	141.30	175.71	-34.41	0.00
749.4640	783925688	SMALL CAP VALUE FUND (SESVX)		12/08/2011	11,968.92	14,969.79	-3,000.87	0.00
180.6580	783925688	SMALL CAP VALUE FUND (SESVX)	12/08/2004	12/20/2011	2,946.53	3,558.96	-612.43	0.00
Total Long Term 15% Sales					729,677.52	774,955.96	-45,278.44	0.00