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Form **990-PF**Department of the Treasury  
Internal Revenue Service**Return of Private Foundation**  
or Section 4947(a)(1) Nonexempt Charitable Trust  
Treated as a Private Foundation

OMB No 1545-0052

**2011**

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

For calendar year 2011 or tax year beginning

08/01, 2011, and ending

07/31, 2012

Name of foundation <b>MERKEL FOUNDATION, INC.</b>		<b>A Employer identification number</b> 39-1582624
Number and street (or P O box number if mail is not delivered to street address) <b>3712 BISMARCK CIRCLE</b>		<b>B Telephone number (see instructions)</b> (920) 457-5051
City or town, state, and ZIP code <b>SHEBOYGAN, WI 53083</b>		
<b>G Check all that apply:</b> <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change		<b>C</b> If exemption application is pending, check here <input type="checkbox"/> <b>D</b> 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/> <b>E</b> If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> <b>F</b> If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
<b>H Check type of organization</b> <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		
<b>I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$</b> 8,252,244.		<b>J Accounting method.</b> <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)

**Part I Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>Revenue</b>				
1 Contributions, gifts, grants, etc., received (attach schedule)	110,100.			
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments	54.	54.		ATCH 1
4 Dividends and interest from securities	259,926.	259,926.		ATCH 2
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	26,119.			
b Gross sales price for all assets on line 6a	70,574.			
7 Capital gain net income (from Part IV, line 2)		26,119.		
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) (attach schedule)				
11 Other income (attach schedule)	30,500.			ATCH 3
12 Total. Add lines 1 through 11	426,699.	286,099.		
<b>Operating and Administrative Expenses</b>				
13 Compensation of officers, directors, trustees, etc.				
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)				
b Accounting fees (attach schedule)	15,950.	7,975.		7,975.
c Other professional fees (attach schedule)				
17 Interest				
18 Taxes (attach schedule) (see instructions)	13,031.	5,126.		5.
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) ATCH 6	596.	549.		
24 Total operating and administrative expenses. Add lines 13 through 23	29,577.	13,650.		7,980.
25 Contributions, gifts, grants paid	363,750.			363,750.
26 Total expenses and disbursements. Add lines 24 and 25	393,327.	13,650.	0	371,730.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	33,372.			
b Net investment income (if negative, enter -0-)		272,449.		
c Adjusted net income (if negative, enter -0-)			0	

For Paperwork Reduction Act Notice, see Instructions.

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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
<b>Assets</b>	1 Cash - non-interest-bearing . . . . .	64,081.	53,416.	53,416.
	2 Savings and temporary cash investments . . . . .	31,626.	49,546.	49,546.
	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 schedule) ▶ Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use . . . . .			
	9 Prepaid expenses and deferred charges . . . . .			
	10 a Investments - U S and state government obligations (attach schedule) . .			
	b Investments - corporate stock (attach schedule) <b>ATCH. 7</b> . .	3,534,390.	3,560,507.	8,149,182.
	c Investments - corporate bonds (attach schedule) . . . . .			
	11 Investments - land, buildings, and equipment basis ▶ Less: accumulated depreciation (attach schedule) ▶	3.	3.	100.
	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 <b>Total assets</b> (to be completed by all filers - see the instructions Also, see page 1, item I) . . . . .	3,630,100.	3,663,472.	8,252,244.	
<b>Liabilities</b>	17 Accounts payable and accrued expenses . . . . .			
	18 Grants payable . . . . .			
	19 Deferred revenue . . . . .			
	20 Loans from officers, directors, trustees, and other disqualified persons .			
	21 Mortgages and other notes payable (attach schedule) . . . .			
	22 Other liabilities (describe ▶ )			
23 <b>Total liabilities</b> (add lines 17 through 22) . . . . .	0	0		
<b>Net Assets or Fund Balances</b>	<b>Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/></b> <b>and complete lines 24 through 26 and lines 30 and 31.</b>			
	24 Unrestricted . . . . .			
	25 Temporarily restricted . . . . .			
	26 Permanently restricted . . . . .			
	<b>Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/></b>			
	27 Capital stock, trust principal, or current funds . . . . .			
	28 Paid-in or capital surplus, or land, bldg, and equipment fund . . . .			
	29 Retained earnings, accumulated income, endowment, or other funds . .	3,630,100.	3,663,472.	
	30 <b>Total net assets or fund balances</b> (see instructions) . . . . .	3,630,100.	3,663,472.	
	31 <b>Total liabilities and net assets/fund balances</b> (see instructions) . . . . .	3,630,100.	3,663,472.	

**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	3,630,100.
2 Enter amount from Part I, line 27a . . . . .	2	33,372.
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3 . . . . .	4	3,663,472.
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	3,663,472.

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**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.)
<b>1a</b> SEE PART IV SCHEDULE					
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
(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)		
<b>a</b>					
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69					
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
<b>a</b>					
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
<b>2</b> 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 }			<b>2</b>	26,119.	
<b>3</b> 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			<b>3</b>	0	

**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			
2009			
2008			
2007			
2006			
<b>2</b> Total of line 1, column (d)			<b>2</b>
<b>3</b> 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			<b>3</b>
<b>4</b> Enter the net value of noncharitable-use assets for 2011 from Part X, line 5			<b>4</b>
<b>5</b> Multiply line 4 by line 3			<b>5</b>
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)			<b>6</b>
<b>7</b> Add lines 5 and 6			<b>7</b>
<b>8</b> Enter qualifying distributions from Part XII, line 4 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.			<b>8</b>

**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 type="checkbox"/> and enter 1% of Part I, line 27b . . . . .		1	5,449.
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	
3 Add lines 1 and 2 . . . . .		3	5,449.
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	5,449.
6 Credits/Payments			
a 2011 estimated tax payments and 2010 overpayment credited to 2011 . . . . .	6a	3,978.	
b Exempt foreign organizations - tax withheld at source . . . . .	6b		
c Tax paid with application for extension of time to file (Form 8868) . . . . .	6c	8,900.	
d Backup withholding erroneously withheld . . . . .	6d		
7 Total credits and payments. Add lines 6a through 6d . . . . .	7	12,878.	
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	7,429.	
11 Enter the amount of line 10 to be Credited to 2012 estimated tax <input type="checkbox"/> 7,429. Refunded <input type="checkbox"/> <b>11</b>	11		

**Part VII-A Statements Regarding Activities**

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign? . . . . .		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? . . . . .		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? . . . . .		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ 0 (2) On foundation managers <input type="checkbox"/> \$ 0		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? . . . . .		X
If "Yes," attach a detailed description of the activities.		
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes . . . . .		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year? . . . . .		X
b If "Yes," has it filed a tax return on Form 990-T for this year? . . . . .		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? . . . . .		X
If "Yes," attach the statement required by General Instruction T.		
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? . . . . .	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> WI		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation . . . . .	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? If "Yes," complete Part XIV . . . . .		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses . . . . .		X

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**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)			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)			X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?		X	
Website address <u>N/A</u>				
14	The books are in care of <u>DANIEL MERKEL</u>	Telephone no.	<u>920/457-5051</u>	
	Located at <u>3712 BISMARCK CIRCLE SHEBOYGAN, WI</u>	ZIP + 4	<u>53083</u>	
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year.	15	<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?	16	Yes	No
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country <u>N/A</u>			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 checked="" type="checkbox"/> Yes	<input 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)?	1b	X
Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>		
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 <u>N/A</u>		
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 <u>N/A</u>		
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

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**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/AOrganizations relying on a current notice regarding disaster assistance check here ☐**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **N/A.** ☐ Yes ☐ No

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

**6a** Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **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****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
BETTY MERKEL 3712 BISMARCK, SHEBOYGAN, WI	PRESIDENT/TREASURER 1.00	0	0	0
DANIEL MERKEL 3712 BISMARCK, SHEBOYGAN, WI	VP/SECRETARY 1.00	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		0	0	0

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

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**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 . . . . .		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 NOT APPLICABLE	
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 NONE	
Total. Add lines 1 through 3 . . . . .	0

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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	7,466,839.
<b>b</b>	Average of monthly cash balances	<b>1b</b>	158,215.
<b>c</b>	Fair market value of all other assets (see instructions)	<b>1c</b>	100.
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	7,625,154.
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	7,625,154.
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	114,377.
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	7,510,777.
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	375,539.

**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)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	375,539.
<b>2a</b>	Tax on investment income for 2011 from Part VI, line 5	<b>2a</b>	5,449.
<b>b</b>	Income tax for 2011 (This does not include the tax from Part VI.)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	5,449.
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	370,090.
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	30,000.
<b>5</b>	Add lines 3 and 4	<b>5</b>	400,090.
<b>6</b>	Deduction from distributable amount (see instructions)	<b>6</b>	
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	400,090.

**Part XII Qualifying Distributions** (see instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b>	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	<b>1a</b>	371,730.
<b>b</b>	Program-related investments - total from Part IX-B	<b>1b</b>	0
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	0
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	0
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	0
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	371,730.
<b>5</b>	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)	<b>5</b>	
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	371,730.

**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
<b>1</b> Distributable amount for 2011 from Part XI, line 7 . . . . .				400,090.
<b>2</b> Undistributed income, if any, as of the end of 2011				
<b>a</b> Enter amount for 2010 only . . . . .			333,293.	
<b>b</b> Total for prior years 20____, 20____, 20____		0		
<b>3</b> Excess distributions carryover, if any, to 2011				
<b>a</b> From 2006 . . . . .	0			
<b>b</b> From 2007 . . . . .	0			
<b>c</b> From 2008 . . . . .	0			
<b>d</b> From 2009 . . . . .	0			
<b>e</b> From 2010 . . . . .	0			
<b>f</b> Total of lines 3a through e . . . . .	0			
<b>4</b> Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ 371,730.				
<b>a</b> Applied to 2010, but not more than line 2a . . .			333,293.	
<b>b</b> Applied to undistributed income of prior years (Election required - see instructions) . . . . .		0		
<b>c</b> Treated as distributions out of corpus (Election required - see instructions) . . . . .	0			
<b>d</b> Applied to 2011 distributable amount . . . . .				38,437.
<b>e</b> Remaining amount distributed out of corpus . .	0			
<b>5</b> Excess distributions carryover applied to 2011 . (If an amount appears in column (d), the same amount must be shown in column (a) )	0			0
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus Add lines 3f, 4c, and 4e. Subtract line 5	0			
<b>b</b> Prior years' undistributed income Subtract line 4b from line 2b		0		
<b>c</b> 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		
<b>d</b> Subtract line 6c from line 6b Taxable amount - see instructions . . . . .		0		
<b>e</b> Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount - see instructions . . . . .			0	
<b>f</b> Undistributed income for 2011. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012 . . . . .				361,653.
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions) . . .	0			
<b>8</b> Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions) . . .	0			
<b>9</b> Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a . . . . .	0			
<b>10</b> Analysis of line 9				
<b>a</b> Excess from 2007 . . . . .	0			
<b>b</b> Excess from 2008 . . . . .	0			
<b>c</b> Excess from 2009 . . . . .	0			
<b>d</b> Excess from 2010 . . . . .	0			
<b>e</b> Excess from 2011 . . . . .	0			

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

NOT APPLICABLE

- 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	
<b>2 a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed . . . . .					
<b>b</b> 85% of line 2a . . . . .					
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed . . . . .					
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities . . . . .					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c . . . . .					
<b>3</b> Complete 3a, b, or c for the alternative test relied upon					
<b>a</b> "Assets" alternative test - enter					
<b>(1)</b> Value of all assets . . . . .					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i) . . . . .					
<b>b</b> "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 8 for each year listed . . . . .					
<b>c</b> "Support" alternative test - enter					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) . . . . .					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) . . . . .					
<b>(3)</b> Largest amount of support from an exempt organization . . . . .					
<b>(4)</b> 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) )

DANIEL A. MERKEL &amp; BETTY MERKEL

- 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**

<div>Recipient</div> <div>Name and address (home or business)</div>	<div>If recipient is an individual, show any relationship to any foundation manager or substantial contributor</div>	<div>Foundation status of recipient</div>	<div>Purpose of grant or contribution</div>	<div>Amount</div>
<b>a</b> <i>Paid during the year</i>  ATTACHMENT 8				
<b>Total</b> . . . . .			▶ <b>3a</b>	363,750.
<b>b</b> <i>Approved for future payment</i>				
<b>Total</b> . . . . .			▶ <b>3b</b>	0

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 _____						
b _____						
c _____						
d _____						
e _____						
f _____						
g Fees and contracts from government agencies						
2 Membership dues and assessments . . . . .						
3 Interest on savings and temporary cash investments			14	54.		
4 Dividends and interest from securities . . . . .			14	259,926.		
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			18	26,119.		
9 Net income or (loss) from special events . . .						
10 Gross profit or (loss) from sales of inventory . .						
11 Other revenue a _____						
b ATTACHMENT 9						30,500.
c _____						
d _____						
e _____						
12 Subtotal. Add columns (b), (d), and (e) . . . . .				286,099.		30,500.
13 Total. Add line 12, columns (b), (d), and (e) . . . . .				13		316,599.

(See worksheet in line 13 instructions to verify calculations.)

[illegible]

**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. |       |    |

[illegible]

- 2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? . . . . . ☐ Yes ☒ No
- b** If "Yes," complete the following schedule

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


**Sign  
Here**

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

Signature of officer or trustee Betty Merkel, Trustee Date 1/15/13 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 KATHERINE KURTZMAN	Preparer's signature 	Date 1/11/2013	Check <input type="checkbox"/> if Self-employed	PTIN P01236691
Firm's name ▶ ERNST & YOUNG U.S. LLP			Firm's EIN ▶ 34-6565596	
Firm's address ▶ 155 NORTH WACKER DRIVE CHICAGO, IL 60606-6301			Phone no 312-879-2000	

## Schedule of Contributors

OMB No 1545-0047

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

**2011**

Name of the organization

MERKEL FOUNDATION, INC.

Employer identification number

39-1582624

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)( ) (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private 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 MERKEL FOUNDATION, INC.

Employer identification number  
39-1582624**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	DANIEL & BETTY MERKEL 3712 BISMARCK CIRCLE SHEBOYGAN, WI 53083	\$ 110,100.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)



Name of organization MERKEL FOUNDATION, INC.

Employer identification number

39-1582624

**Part II** Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

Name of organization MERKEL FOUNDATION, INC.

Employer identification number

39-1582624

**Part III** Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry.

For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) ► \$

Use duplicate copies of Part III if additional space is needed.

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

ATTACHMENT 1

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
BANK OF AMERICA	12.	12.
WELLS FARGO	42.	42.
TOTAL	<u>54.</u>	<u>54.</u>

ATTACHMENT 2FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
ALTRIA	7,380.	7,380.
AUTOMATIC DATA	12,360.	12,360.
BANK OF AMERICA	420.	420.
BRISTOL MYERS CO	3,350.	3,350.
CAMPBELL SOUP	4,640.	4,640.
CANADIAN NATIONAL RAILWAY	33,350.	33,350.
DISNEY	4,320.	4,320.
EMERSON ELECTRIC	6,180.	6,180.
MERCK	4,880.	4,880.
NEWELL/RUBBERMAID	2,040.	2,040.
SARA LEE	2,484.	2,484.
SCHLUMBERGER	5,250.	5,250.
VERIZON	24,755.	24,755.
WAL MART	9,150.	9,150.
3M CO	3,420.	3,420.
JOHNSON & JOHNSON	4,640.	4,640.
DOW CHEMICAL	3,500.	3,500.
CONOCO PHILLIPS	12,408.	12,408.
AT&T	23,002.	23,002.
INTEGRYS ENERGY	10,880.	10,880.
KRAFT	5,800.	5,800.
PHILLIP MORRIS	13,860.	13,860.
DOMINION RESOURCES	18,360.	18,360.
CATERPILLAR	10,350.	10,350.
FRONTIER COMMUNICATIONS	1,830.	1,830.
TRANSOCEAN	9,717.	9,717.
DE MASTER BLENDERS	21,600.	21,600.
TOTAL	<u>259,926.</u>	<u>259,926.</u>

ATTACHMENT 3FORM 990PF, PART I - OTHER INCOME

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>
BARBIZON MIDWEST - GRANT RECOVERY	500.
ST DOMINIC SCHOOL - GRANT RECOVERY	30,000.
TOTALS	<u>30,500.</u>

ATTACHMENT 4FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
ERNST & YOUNG LLP	15,950.	7,975.		7,975.
TOTALS	<u>15,950.</u>	<u>7,975.</u>		<u>7,975.</u>

FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>CHARITABLE PURPOSES</u>
REAL ESTATE TAX	10.	10.	
FOREIGN TAX WITHHOLDING	5,111.	5,111.	
FEDERAL TAXES PAID	7,900.		
WI ANNUAL REPORT	10.	5.	5.
TOTALS	<u>13,031.</u>	<u>5,126.</u>	<u>5.</u>

ATTACHMENT 5

ATTACHMENT 6

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
BANK FEES	50.	50.
LAND MAINT. - STORM CLEANUP	499.	499.
MISCELLANEOUS	47.	
TOTALS	<u>596.</u>	<u>549.</u>



ATTACHMENT 7FORM 990PF, PART II - CORPORATE STOCK

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
AUTOMATIC DATA - 8000 SHS	73,364.	452,400.
BRISTOL MYERS SQUIBB -2500 SHS	59,288.	89,000.
CANADIAN NAT'L RY - 24000 SHS	124,705.	2,113,920.
DISNEY - 7200 SHS	72,089.	353,808.
VERIZON - 10000 SHS	306,299.	451,400.
MERCK - 4000 SHS	83,419.	176,680.
BANK OF AMERICA - 6000 SHS	151,472.	44,040.
ALTRIA - 4500 SHS	20,265.	161,865.
NEWELL/RUBBERMAID - 6000 SHS	122,299.	105,900.
SCHLUMBERGER - 5000 SHS	75,171.	356,300.
WAL MART - 6000 SHS	62,369.	446,580.
INTEGRYS ENERGY - 4000 SHS	119,582.	242,160.
CAMPBELL SOUP - 4000 SHS	44,113.	132,440.
EMERSON ELECTRIC- 4000 SHS	117,399.	191,080.
3M CO - 1500 SHS	94,824.	136,845.
CONOCO PHILLIPS - 4700 SHS	252,603.	255,868.
DOW CHEMICAL - 3500 SHS	171,021.	100,730.
JOHNSON & JOHNSON - 2000 SHS	135,045.	138,440.
TRANSOCEAN SEDCO FOREX-4100 SH	338,800.	192,003.
AT&T - 10600 SHS	114,750.	401,952.
KRAFT - 5000 SHS	87,224.	198,550.
PHILLIP MORRIS - 4500 SHS	46,179.	411,480.
DOMINION RESOURCES - 9000 SHS	354,463.	488,790.
CATERPILLAR - 4500 SHS	423,436.	378,945.
FRONTIER COMMUN. - 2400 SHS	19,968.	9,408.
DE MASTER BLENTERS - 7200 SHS	70,574.	81,720.
HILLSHIRE BRANDS - 1440 SHS	19,786.	36,878.
<b>TOTALS</b>	<b>3,560,507.</b>	<b>8,149,182.</b>

MERKEL FOUNDATION, INC.  
990-PF, PART XV, Line 3a - Total Grants and Contributions Paid During the Year  
YEAR ENDED 07/31/2012

39-1582624

Recipient Name and Address	Relationship	Foundation Status	Purpose of Grant	Amount
ST. DOMINIC PARISH 2133 N. 22ND ST SHEBOYGAN, WI 53081	None	501(C)(3) & 170(b)(1)(A)(i)	Support of Religious Programs - \$126,050 Support of Calvary Cemetery Up-Keep - \$5,000	\$ 131,050
AMERICAN CANCER SOCIETY 515 SUPERIOR AVENUE SHEBOYGAN, WI 53081	None	501(C)(3) & 170(b)(1)(A)(vi)	Support of Cancer Research Programs	\$ 4,000
SHEBOYGAN & PLYMOUTH AREA UNITED WAY 2020 ERIE AVENUE SHEBOYGAN, WI 53081	None	501(C)(3) & 509(a)(3)	Support of Social Services Programs	\$ 1,500
CATHOLIC RELIEF SERVICES 228 W. LEXINGTON STREET BALTIMORE, MD 21201	None	501(C)(3) & 170(b)(1)(A)(i)	Support of Disaster Relief and Development Projects	\$ 5,000
COMMON HOPE P.O. BOX 14298 ST. PAUL, MN 55114-0298	None	501(C)(3) & 170(b)(1)(A)(vi)	Support of International Relief Programs	\$ 2,000
MARQUETTE UNIVERSITY P.O. BOX 1881 MILWAUKEE, WI 53201-1881	None	501(C)(3) & 170(b)(1)(A)(i)	Support of Medical Brigade program	\$ 51,000
FOUNDATION FOR RELIGIOUS RETIREMENT 3221 S. LAKE DRIVE ST. FRANCIS, WI 53235	None	501(C)(3) & 170(b)(1)(A)(i)	Support of Religious Programs	\$ 1,000
PATHFINDERS TEEN HOMELESS SHELTER 223 N. WATER STREET MILWAUKEE, WI 53202	None	501(C)(3) & 170(b)(1)(A)(vi)	Support of Pathfinders Shelter for Teens	\$ 1,000
ARCHDIOCESE OF MILWAUKEE P.O. BOX 673024 MILWAUKEE, WI 53267	None	501(C)(3) & 170(b)(1)(A)(i)	Support of Combined Collections - \$1,000 Support of Catholic Stewardship Appeal - \$5,000 Support of Religious Programs - \$5,000	\$ 11,000
RONALD McDONALD HOUSE CHARITIES 8948 WATERTOWN PLANK ROAD WAUWATOSA, WI 53226	None	501(C)(3) & 170(b)(1)(A)(vi)	Support of Health Care Programs	\$ 25,000

MERKEL FOUNDATION, INC.  
990-PF, PART XV, Line 3a - Total Grants and Contributions Paid During the Year  
YEAR ENDED 07/31/2012

39-1582624

Recipient Name and Address	Relationship	Foundation Status	Purpose of Grant	Amount
DISABLED AMERICAN VETERANS CHARITABLE SERVICE TRUST 3725 ALEXANDRIA PIKE COLD SPRING, KY 41076	None	501(C)(3) & 170(b)(1)(A)(vi)	Support of Veteran Programs	\$ 5,000
WORLD CRANIOFACIAL FOUNDATION P.O. BOX 515838 DALLAS, TX 75251	None	501(C)(3) & 509(a)(2)	Support of Surgeries for Children with Facial Deformities	\$ 5,000
HILLSDALE COLLEGE 33 E. COLLEGE STREET HILLSDALE, MI 49242	None	501(C)(3) & 170(b)(1)(A)(ii)	Support of Education Programs	\$ 100
ST. VINCENT DE PAUL SOCIETY OF MILWAUKEE 9601 W. SILVER SPRING DRIVE MILWAUKEE, WI 53225	None	501(C)(3) & 170(b)(1)(A)(vi)	Support of Social Services Programs	\$ 5,000
HERITAGE FOUNDATION 214 MASSACHUSETTS AVENUE N.E. WASHINGTON, DC 20002	None	501(C)(3) & 170(b)(1)(A)(vi)	Support of Public Policy Research and Education	\$ 1,000
NATIONAL ARBOR DAY FOUNDATION 211 N. 12TH STREET NO. 501 LINCOLN, NE 68508	None	501(C)(3) & 170(b)(1)(A)(vi)	Support of Environmental Education	\$ 100
ST. MARY'S PARISH 430 N. JOHNSON STREET PORT WASHINGTON, WI 53074	None	501(C)(3) & 170(b)(1)(A)(i)	Support of Cemetary Upkeep	\$ 1,000
JOHN C. CAMPBELL FOLK SCHOOL ONE FOLK SCHOOL ROAD BRASSTOWN, NC 28902	None	501(C)(3) & 170(b)(1)(A)(ii)	Support of Education Programs	\$ 50,000
FRIENDS OF THE POOR 7660 FAY AVENUE LA JOLLA, CA 92037	None	501(C)(3) & 170(b)(1)(A)(vi)	Support of Programs to Aid the Poor	\$ 20,000
NATIONAL KIDNEY FOUNDATION 30 E. 33RD STREET NEW YORK, NY 10016	None	501(C)(3) & 170(b)(1)(A)(vi)	Support of Health Programs	\$ 2,000

39-1582624

MERKEL FOUNDATION, INC.  
990-PF, PART XV, Line 3a - Total Grants and Contributions Paid During the Year  
YEAR ENDED 07/31/2012

Recipient Name and Address	Relationship	Foundation Status	Purpose of Grant	Amount
AMERICAN LUNG ASSOCIATION 14 WALL STREET NEW YORK, NY 10005	None	501(C)(3) & 170(b)(1)(A)(vi)	Support of Health Programs	\$ 2,000
SHARON S RICHARDSON COMMUNITY HOSPICE W2850 STATE ROAD 28 SHEBOYGAN FALLS, WI 53085	None	501(C)(3) & 170(b)(1)(A)(iii)	Support of Hospice Services	\$ 5,000
LAKELAND COLLEGE P.O. BOX 359 SHEBOYGAN, WI 53082	None	501(C)(3) & 170(b)(1)(A)(ii)	Support of Education Programs	\$ 5,000
SHEBOYGAN COUNTY CANCER CARE FUND 2124 KOHLER MEMORIAL DRIVE P.O. BOX 1008 NO. 200 SHEBOYGAN, WI 53082	None	501(C)(3) & 170(b)(1)(A)(vi)	Support of Health Programs	\$ 10,000
AMERICAN HEART ASSOCIATION 7272 GREENVILLE AVENUE DALLAS, TX 75231	None	501(C)(3) & 170(b)(1)(A)(vi)	Support of Health Programs	\$ 10,000
SAFE HARBOR OF SHEBOYGAN COUNTY P.O. BOX 582 SHEBOYGAN, WI 53082	None	501(C)(3) & 170(b)(1)(A)(vi)	Support of Domestic Abuse Prevention, Intervention, & Education Programs	\$ 10,000
THESE CONTRIBUTIONS WERE UNRESTRICTED AND INTENDED TO BE USED BY THE ORGANIZATIONS FOR THEIR EXEMPT PURPOSES.				<u>\$ 363,750</u>
TOTAL GRANTS REPORTED ON 2011 FORM 990-PF				

MERKEL FOUNDATION, INC.

39-1582624

FORM 990-PF, PART XVI-A - ANALYSIS OF OTHER REVENUE

ATTACHMENT 9

DESCRIPTION	BUSINESS CODE	AMOUNT	EXCLUSION CODE	AMOUNT	RELATED OR EXEMPT	
					FUNCTION	INCOME
(A) BARBIZON MIDWEST - GRANT RECOVERY						500.
(B) ST DOMINIC CATHOLIC SCHOOL - GRANT RECOVERY						30,000.
TOTALS						<u>30,500.</u>

**FORM 990-PF - PART IV**  
**CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
70,574.		DE MASTER BLENDERS (REDOMICILE) PROPERTY TYPE: SECURITIES 44,455.				P	VAR  26,119.	06/28/2012
TOTAL GAIN (LOSS) .....							<u>26,119.</u>	

**Application for Extension of Time To File an  
Exempt Organization Return**

OMB No 1545-1709

► **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 ☒ **X**
- 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](http://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

Employer identification number (EIN) or

MERKEL FOUNDATION, INC.

☒ 39-1582624

Number, street, and room or suite no. If a P.O. box, see instructions

Social security number (SSN)

3712 BISMARCK CIRCLE

City, town or post office, state, and ZIP code. For a foreign address, see instructions

SHEBOYGAN, WI 53083

Enter the Return code for the return that this application is for (file a separate application for each return) ☐ 0 ☐ 4

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 ► DANIEL MERKEL

Telephone No ► 920 457-5051

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 03/15, 2013, to file the exempt organization return for the organization named above. The extension is for the organization's return for
- ☐ calendar year 20\_\_\_\_ or
- ☒ tax year beginning 08/01, 2011, and ending 07/31, 2012

- 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 \$	11,078.
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 \$	2,178.
c <b>Balance due.</b> 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 \$	8,900.

**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

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Form **8868** (Rev. 1-2012)