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

2012

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

For calendar year 2012 or tax year beginning _____, and ending _____

Name of foundation WALLESTAD FOUNDATION		A Employer identification number 36-3485265			
Number and street (or P O box number if mail is not delivered to street address) 730 SECOND AVE SOUTH		Room/suite 415	B Telephone number 612-288-2233		
City or town, state, and ZIP code MINNEAPOLIS, MN 55402		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) ► \$ 7,414,187.	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 (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income		
Revenue	1 Contributions, gifts, grants, etc., received		(c) Adjusted net income N/A		
	2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B Interest on savings and temporary cash investments				
	3 Dividends and interest from securities	102,488.	99,488.	STATEMENT 1	
	5a Gross rents	154,106.	154,106.	STATEMENT 2	
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10 Gross sales price for all assets on line 6a	250,899.			
	7 Capital gain net income (from Part IV, line 2)		250,899.		
	8 Net short-term capital gain				
	9 Income modifications Gross sales less returns and allowances				
	10a b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income				
12 Total. Add lines 1 through 11	507,493.	504,493.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	119,167.	33,583.	85,584.	
	14 Other employee salaries and wages				
	15 Pension plans/employee benefits				
	16a Legal fees	STMT 3	6,913.	0.	6,913.
	b Accounting fees	STMT 4	7,070.	1,517.	5,553.
	c Other professional fees	STMT 5	65,496.	65,496.	0.
	17 Interest				
	18 Taxes	STMT 6	9,479.	2,932.	6,547.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses				
	24 Total operating and administrative expenses. Add lines 13 through 23		208,125.	103,528.	104,597.
25 Contributions, gifts, grants paid		496,959.		496,959.	
26 Total expenses and disbursements. Add lines 24 and 25		705,084.	103,528.	601,556.	
27 Subtract line 26 from line 12		-197,591.			
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -0-)		400,965.			
c Adjusted net income (if negative, enter -0-)			N/A		

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	148,338.	161,828.	161,828.
	2	Savings and temporary cash investments	1,552,406.	527,192.	527,192.
	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 ► 1,258,085.	0.	453,774.	1,258,085.
		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	4,209,461.	4,273,159.
	c	Investments - corporate bonds	STMT 8	416,499.	360,143.
Liabilities	11	Investments - land, buildings, and equipment basis ►			
		Less accumulated depreciation ►			
	12	Investments - mortgage loans			
	13	Investments - other	STMT 9	184,862.	187,150.
	14	Land, buildings, and equipment basis ►			
		Less accumulated depreciation ►			
	15	Other assets (describe ►)			
	16	Total assets (to be completed by all filers)		6,965,340.	6,767,557.
					7,414,187.
	17	Accounts payable and accrued expenses		3,523.	3,523.
Net Assets or Fund Balances	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)		3,523.	3,523.
	24	Foundations that follow SFAS 117, check here ► <input type="checkbox"/>			
		and complete lines 24 through 26 and lines 30 and 31.			
	25	Unrestricted			
	26	Temporarily restricted			
	27	Permanently restricted			
Net Assets or Fund Balances	28	Foundations that do not follow SFAS 117, check here ► <input checked="" type="checkbox"/>			
		and complete lines 27 through 31.			
	29	Capital stock, trust principal, or current funds		0.	0.
	30	Paid-in or capital surplus, or land, bldg, and equipment fund		0.	0.
	31	Retained earnings, accumulated income, endowment, or other funds		6,961,817.	6,764,034.
	32	Total net assets or fund balances		6,961,817.	6,764,034.
	33	Total liabilities and net assets/fund balances		6,965,340.	6,767,557.

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	6,961,817.
2	Enter amount from Part I, line 27a	2	-197,591.
3	Other increases not included in line 2 (itemize) ►	3	0.
4	Add lines 1, 2, and 3	4	6,764,226.
5	Decreases not included in line 2 (itemize) ► WASH SALES DISALLOWED	5	192.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	6,764,034.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)			(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a					
b	SEE ATTACHED STATEMENT				
c					
d					
e					
	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a					
b					
c					
d					
e	1,678,494.		1,427,595.	250,899.	
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a					
b					
c					
d					
e				250,899.	
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	250,899.
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 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))
2011	1,385,792.	4,876,289.	.284190
2010	589,877.	3,882,814.	.151920
2009	415,435.	5,239,988.	.079282
2008	842,752.	7,734,150.	.108965
2007	1,113,973.	8,976,204.	.124103

2 Total of line 1, column (d)

2 .748460

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 .149692

4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5

4 6,149,785.

5 Multiply line 4 by line 3

5 920,574.

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

6 4,010.

7 Add lines 5 and 6

7 924,584.

8 Enter qualifying distributions from Part XII, line 4

8 1,405,867.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	
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)	
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	
3	Add lines 1 and 2	
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	
5	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-	
6 Credits/Payments		
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a 9,038.
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 9,038.
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 5,028.
11	Enter the amount of line 10 to be Credited to 2013 estimated tax ►	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	Enter the states to which the foundation reports or with which it is registered (see instructions) ► _____ MN	
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 <i>General Instruction G</i> ? If "No," attach explanation	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? If "Yes," complete Part XIV	
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	
N/A		

Part VII-A Statements Regarding Activities (continued)

11		X
12		X
13	X	
Website address ► N/A		
14	The books are in care of ► JAY BENNETT Located at ► 730 SECOND AVE SOUTH, SUITE 415, MINNEAPOLIS, MN	Telephone no ► 612-288-2233 ZIP+4 ► 55402
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	
16	At any time during calendar year 2012, 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 ►	
	15	N/A
	16	Yes No X

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

	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 ►	1b	X
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 2012?	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 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? If "Yes," list the years ►	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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 ►		
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 2012 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 2012.)	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 2012?	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)?

N/A

5b



Organizations relying on a current notice regarding disaster assistance check here

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

 Yes No

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

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

 Yes No

6b



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

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?

N/A



7b

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
JAY L. BENNETT 730 SECOND AVE SOUTH, SUITE 415 MINNEAPOLIS, MN 55402	CHAIRMAN 15.00	65,000.	0.	0.
ANDY BENNETT 730 SECOND AVE SOUTH, SUITE 415 MINNEAPOLIS, MN 55402	PRESIDENT 5.00	54,167.	0.	0.
SANDRA BYZEWSKI 730 SECOND AVE SOUTH, SUITE 415 MINNEAPOLIS, MN 55402	SECRETARY 2.00	0.	0.	0.

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

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

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



0

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

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

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

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

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

	Expenses
1 N/A	
2	
3	
4	

Part IX-B **Summary of Program-Related Investments**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

	Amount
1 LOAN TO OVERCOMERS MINISTRIES FOR SOBER HOUSING FACILITIES/OPERATIONS.	804,311.
2	
3	
Total. Add lines 1 through 3	► 804,311.

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a Average monthly fair market value of securities	1a	5,348,568.
b Average of monthly cash balances	1b	894,869.
c Fair market value of all other assets	1c	
d Total (add lines 1a, b, and c)	1d	6,243,437.
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	6,243,437.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	93,652.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	6,149,785.
6 Minimum investment return. Enter 5% of line 5	6	307,489.

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	307,489.
2a Tax on investment income for 2012 from Part VI, line 5	2a	4,010.
b Income tax for 2012 (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	4,010.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	303,479.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	303,479.
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	303,479.

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	601,556.
b Program-related investments - total from Part IX-B	1b	804,311.
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	1,405,867.
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	4,010.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,401,857.

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 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				303,479.
2 Undistributed income, if any, as of the end of 2012			0.	
a Enter amount for 2011 only				
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2012				
a From 2007	688,799.			
b From 2008	460,717.			
c From 2009	158,412.			
d From 2010	412,862.			
e From 2011	1,144,292.			
f Total of lines 3a through e	2,865,082.			
4 Qualifying distributions for 2012 from Part XII, line 4 ► \$ 1,405,867.			0.	
a Applied to 2011, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2012 distributable amount				303,479.
e Remaining amount distributed out of corpus	1,102,388.			0.
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			
6 Enter the net total of each column as indicated below:	3,967,470.			
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5			0.	
b Prior years' undistributed income Subtract line 4b from line 2b				
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 2011. Subtract line 4a from line 2a. Taxable amount - see instr				0.
f Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013				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 2007 not applied on line 5 or line 7	688,799.			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	3,278,671.			
10 Analysis of line 9				
a Excess from 2008	460,717.			
b Excess from 2009	158,412.			
c Excess from 2010	412,862.			
d Excess from 2011	1,144,292.			
e Excess from 2012	1,102,388.			

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
CASH GRANTS AND CONTRIBUTIONS SEE ATTACHED	NONE	501(C)3	VARIOUS	496,959.
Total			► 3a	496,959.
b Approved for future payment				
NONE				
Total			► 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclu- sion 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	102,488.	
4 Dividends and interest from securities			14	154,106.	
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	250,899.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0.		507,493.	0.
13 Total. Add line 12, columns (b), (d), and (e)			13		507,493.
(See worksheet in line 13 instructions to verify calculations)					

Relationship of Activities to the Accomplishment of Exempt Purposes

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	FIDELITY INV ST	P	VARIOUS	VARIOUS
b	FIDELITY INV ST	P	VARIOUS	VARIOUS
c	FIDELITY INV ST	P	VARIOUS	VARIOUS
d	FIDELITY INV ST	P	VARIOUS	VARIOUS
e	FIDELITY INV ST	P	VARIOUS	VARIOUS
f	FIDELITY INV ST	P	VARIOUS	VARIOUS
g	FIDELITY INV ST	P	VARIOUS	VARIOUS
h	FIDELITY INV ST	P	VARIOUS	VARIOUS
i	FIDELITY INV ST	P	VARIOUS	VARIOUS
j	FIDELITY INV ST	P	VARIOUS	VARIOUS
k	PUNCH MICRO CAP PARTNERS	P		
l	PUNCH MICRO CAP PARTNERS	P		
m	CAPITAL GAINS DIVIDENDS			
n				
o				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	70,132.		60,486.	9,646.
b	277,161.		239,688.	37,473.
c	55,192.		59,296.	-4,104.
d	383,169.		324,473.	58,696.
e	168,464.		157,359.	11,105.
f	279,895.		252,597.	27,298.
g	64,104.		59,311.	4,793.
h	182,002.		159,908.	22,094.
i	31,862.		28,038.	3,824.
j	88,494.		86,439.	2,055.
k	7,045.			7,045.
l	67,863.			67,863.
m	3,111.			3,111.
n				
o				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col (h)) Gains (excess of col (h) gain over col. (k), but not less than "-0-")
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			9,646.
b			37,473.
c			-4,104.
d			58,696.
e			11,105.
f			27,298.
g			4,793.
h			22,094.
i			3,824.
j			2,055.
k			7,045.
l			67,863.
m			3,111.
n			
o			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2	250,899.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter "-0-" in Part I, line 8 }	3	N/A

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

SOURCE	AMOUNT
INTEREST INCOME	53,548.
OVERCOMERS OUTREACH MINISTRIES	50,560.
PURCHASED INTEREST	-1,620.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	102,488.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
DIVIDEND INCOME	137,545.	3,111.	134,434.
PUNCH MICRO CAP PARTNERS	19,672.	0.	19,672.
TOTAL TO FM 990-PF, PART I, LN 4	157,217.	3,111.	154,106.

FORM 990-PF LEGAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES FOR CHARITIES	6,913.	0.		6,913.
TO FM 990-PF, PG 1, LN 16A	6,913.	0.		6,913.

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PREPARATION OF 990PF	4,553.	0.		4,553.
ASSEMBLE INVESTMENT INFORMATION	1,517.	1,517.		0.
ACCOUNTING FEES FOR CHARITIES	1,000.	0.		1,000.
TO FORM 990-PF, PG 1, LN 16B	7,070.	1,517.		5,553.

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT ADVISORY & ADMIN.	65,496.	65,496.		0.
TO FORM 990-PF, PG 1, LN 16C	65,496.	65,496.		0.

FORM 990-PF	TAXES			STATEMENT 6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PAYROLL TAXES	9,116.	2,569.		6,547.
FOREIGN TAXES PAID	338.	338.		0.
MN ANNUAL FILING FEE	25.	25.		0.
TO FORM 990-PF, PG 1, LN 18	9,479.	2,932.		6,547.

FORM 990-PF	CORPORATE STOCK		STATEMENT 7
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE	
FIDELITY - CORP STOCK (SEE EXHIBIT 5)	654,115.	767,293.	
FIDELITY - CORP STOCK (SEE EXHIBIT 6)	875,998.	1,010,605.	
FIDELITY - CORP STOCK (SEE EXHIBIT 7)	475,175.	532,757.	
FIDELITY - CORP STOCK (SEE EXHIBIT 8)	933,969.	1,009,400.	
PUNCH MICRO CAP PARTNERS, LLC	897,027.	1,054,654.	
FIDELITY - CORP STOCK (SEE EXHIBIT 9)	436,875.	487,241.	
TOTAL TO FORM 990-PF, PART II, LINE 10B	4,273,159.	4,861,950.	

FORM 990-PF

CORPORATE BONDS

STATEMENT 8

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
FIDELITY - CORP BONDS (SEE EXHIBIT 5)	146,543.	156,092.
FIDELITY - CORP BONDS (SEE EXHIBIT 7)	103,026.	115,241.
FIDELITY - CORP BONDS (SEE EXHIBIT 9)	110,574.	117,589.
TOTAL TO FORM 990-PF, PART II, LINE 10C	360,143.	388,922.

FORM 990-PF

OTHER INVESTMENTS

STATEMENT 9

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
FIDELITY - OTHER (SEE EXHIBIT 5)	COST	60,994.	72,511.
CANNON PRESS	COST	20,000.	20,000.
FIDELITY - OTHER (SEE EXHIBIT 6)	COST	25,381.	27,182.
FIDELITY - OTHER (SEE EXHIBIT 7)	COST	39,260.	49,792.
FIDELITY - OTHER (SEE EXHIBIT 9)	COST	41,515.	46,725.
TOTAL TO FORM 990-PF, PART II, LINE 13		187,150.	216,210.

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION
PART XV, LINES 2A THROUGH 2D

STATEMENT 10

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

JAY L. BENNETT, WALLESTAD FOUNDATION
730 SECOND AVE SOUTH
MINNEAPOLIS, MN 55402

TELEPHONE NUMBER

612-288-2233

FORM AND CONTENT OF APPLICATIONS

A LETTER TO JAY L. BENNETT INCLUDING IRS EXEMPT STATUS LETTER, MINISTRY BUDGET, MINISTRY LITERATURE.

ANY SUBMISSION DEADLINES

NONE

RESTRICTIONS AND LIMITATIONS ON AWARDS

THE FOUNDATION GIVES PRIMARILY TO CHRISTIAN MISSION ORGANIZATIONS BUT RESERVES THE RIGHT TO GIVE WITHIN BROADER PURPOSES ALLOWED BY ITS TAX-EXEMPT STATUS.

WALLESTAD FOUNDATION

Year Ending: December 31, 2012
FEIN: 36-3485265
Form 990-PF - Part XV

<u>Recipient Name / Address</u>	<u>Foundation Status of Recipient</u>	<u>Purpose of Grant or Contribution</u>	<u>Amount</u>
<i>Grants Paid During the Year</i>			
Search Ministries 7400 Metro Blvd., Suite 210 Edina, MN 55439	501(c)(3)	General Support	\$2,500.00
Shamineau International 2345 Ridge Rd Motley, MN 56466	501(c)(3)	General Support	\$2,000.00
Minnesota Adult and Teen Challenge 1619 Portland Ave. S. Minneapolis, MN 55404	501(c)(3)	Staff Support	\$50,000.00
National Christian Foundation 11625 Rainwater Drive, Suite 500 Alpharetta, GA 30009	501(c)(3)	General Support	\$300,000.00
African International University P.O. Box 24686, 00502, Karen Nairobi - Kenya	501(c)(3)	Scholarship	\$3,000.00
The Twin Cities Christian Foundation 730 Second Ave S Minneapolis, MN 55402	501(c)(3)	General Support	\$6,320.00
Holding Forth the Word of Life Ministries 2304 Emerson Ave N Minneapolis, MN 55411	501(c)(3)	General Support	\$103,139.33
Bob Buford Institute 2626 Cole Ave Suite 900 Dallas, TX 75204	501(c)(3)	Halftime and Leadership Network Initiatives	\$30,000.00
Total Grants Paid During the Year			\$496,959.33

WALLESTAD FOUNDATION

Year Ending: December 31, 2012

FEIN: 36-3485265

Form 990-PF - Part IX

<u>Recipient Name / Address</u>	<u>Foundation Status of Recipient</u>	<u>Purpose</u>	<u>Amount</u>
<i>Program-Related Investments</i>			
Overcomers Outreach Ministries 2020 Bloomington Avenue South Minneapolis, MN 55404	501(c)(3)	Facilities Loan	\$804,311.00
<hr/>			
Total Program-Related Investments Made During the Year			\$804,311.00

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

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

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

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

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

Part I only

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

Type or print File by the due date for filing your return. See instructions	Name of exempt organization or other filer, see instructions. WALLESTAD FOUNDATION	Employer identification number (EIN) or 36-3485265
	Number, street, and room or suite no. If a P O box, see instructions. 730 SECOND AVE SOUTH, NO. 415	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. MINNEAPOLIS, MN 55402	

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 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	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

JAY BENNETT

- The books are in the care of ► **730 SECOND AVE SOUTH, SUITE 415 - MINNEAPOLIS, MN 55402**
Telephone No. ► **612-288-2233** 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

AUGUST 15, 2013, to file the exempt organization return for the organization named above. The extension

is for the organization's return for:

► calendar year **2012** or

► tax year beginning , and ending

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

Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	3a	\$ 1,200.
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	\$ 9,038.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$ 0.

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

LHA For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form 8868 (Rev. 1-2013)

MN AG Extension filed 7/21/13

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only Part II and check this box

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension**, complete only Part I (on page 1)

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print	Name of exempt organization or other filer, see instructions WALLESTAD FOUNDATION	Employer identification number (EIN) or 36-3485265
File by the due date for filing your return. See instructions	Number, street, and room or suite no. If a P.O. box, see instructions. 730 SECOND AVE SOUTH, NO. 415	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. MINNEAPOLIS, MN 55402	

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 or Form 990-EZ	01		
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	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

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

JAY BENNETT

- The books are in the care of ► **730 SECOND AVE SOUTH, SUITE 415 - MINNEAPOLIS, MN 55402**
Telephone No. ► **612-288-2233** 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.

4 I request an additional 3-month extension of time until **NOVEMBER 15, 2013**.

5 For calendar year **2012**, or other tax year beginning and ending

6 If the tax year entered in line 5 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period

7 State in detail why you need the extension

THE ORGANIZATION RESPECTFULLY REQUESTS ADDITIONAL TIME TO GATHER INFORMATION TO ACCURATELY COMPLETE THE IRS FORM 990.

8a 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.	8a	\$ 1,200.
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 and any amount paid previously with Form 8868.	8b	\$ 9,038.
c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$ 0.

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ►

Title ► **CPA**

Date ►

Form 8868 (Rev. 1-2013)