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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

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

OMB No 1545-0052

2012

Open to Public Inspection

For calendar year 2012 or tax year beginning , 2012, and ending , 20

Name of foundation DEAN AND SANDRA CARLSON FOUNDATION		A Employer identification number 39-1891960
Number and street (or P O box number if mail is not delivered to street address) 3811 127TH STREET	Room/suite	B Telephone number (see instructions) 515-278-5764
City or town, state, and ZIP code URBANDALE, IA 50323		C If exemption application is pending, check here ☐
G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐
H Check type of organization: ☐ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 6735973	J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____ (Part I, column (d) must be on cash basis.)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

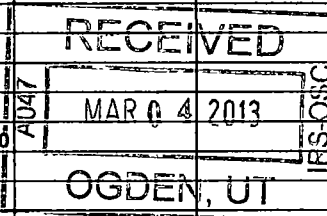
Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check ☐ if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	46788	46788		
	4 Dividends and interest from securities	228385	228385		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	3905			
	b Gross sales price for all assets on line 6a 203566				
	7 Capital gain net income (from Part IV, line 2)		3905		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less: Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)	94	94		
	12 Total. Add lines 1 through 11	279172	279172		
	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)				
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	2800			
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)				
24 Total operating and administrative expenses. Add lines 13 through 23	2800				
25 Contributions, gifts, grants paid	270000			270000	
26 Total expenses and disbursements. Add lines 24 and 25	272800			270000	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	6372				
b Net investment income (if negative, enter -0-)		279172			
c Adjusted net income (if negative, enter -0-)					

For Paperwork Reduction Act Notice, see instructions.

Cat. No 11289X

Form **990-PF** (2012)

SCANNED MAR 08 2013



Part II Balance Sheets		Beginning of year (a) Book Value	End of year	
			(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing			
	2 Savings and temporary cash investments	61061	70341	70341
	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			
	10a Investments—U.S. and state government obligations (attach schedule)	6255818	6665632	6665632
	b Investments—corporate stock (attach schedule)			
	c Investments—corporate bonds (attach schedule)			
Liabilities	11 Investments—land, buildings, and equipment: basis ▶			
	Less: accumulated depreciation (attach schedule) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)			
	14 Land, buildings, and equipment: basis ▶			
	Less: accumulated depreciation (attach schedule) ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	6316879	6735973	6735973
	17 Accounts payable and accrued expenses			
	18 Grants payable	0	45000	
Net Assets or Fund Balances	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 Total liabilities (add lines 17 through 22)			
	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.			
	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			
	30 Total net assets or fund balances (see instructions)	6316879	6735973	
	31 Total liabilities and net assets/fund balances (see instructions)	6316879	6690973	

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	6316879
2	Enter amount from Part I, line 27a	2	6372
3	Other increases not included in line 2 (itemize) ▶	3	422722
4	Add lines 1, 2, and 3	4	6745973
5	Decreases not included in line 2 (itemize) ▶	5	10000
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	6735973

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	D M KELLY & CO CAP GAIN DIST			
b	D M KELLY & CO SCH IV A			
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			344
b			3561
c			
d			
e			

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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			
c			
d			
e			

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	3905
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8	3	

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☐ No
 If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2011	292000	6334135	.046099
2010	245000	5737927	.042698
2009	235000	4938718	.047583
2008	188995	4682679	.040360
2007	90000	3124030	.028644

2	Total of line 1, column (d)	2	.205384
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	.041077
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	6552661
5	Multiply line 4 by line 3	5	269164
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	2792
7	Add lines 5 and 6	7	271856
8	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.	8	270000

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 ☐ 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 ☒ and enter 1% of Part I, line 27b	1	2792
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	2792
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	2792
6	Credits/Payments:		
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a	2800
b	Exempt foreign organizations—tax withheld at source	6b	414
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	3214
8	Enter any penalty for underpayment of estimated tax. Check here ☐ 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	422
11	Enter the amount of line 10 to be: Credited to 2013 estimated tax 422 Refunded	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?		✓
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		✓
c Did the foundation file Form 1120-POL for this year?		✓
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ \$ _____ (2) On foundation managers. ▶ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		✓
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes.</i>		✓
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		✓
b If "Yes," has it filed a tax return on Form 990-T for this year?		✓
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		✓
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	✓	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	✓	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶		
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> ? <i>If "No," attach explanation</i>	✓	
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)? <i>If "Yes," complete Part XIV</i>		✓
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		✓

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		✓
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		✓
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	✓	
Website address ▶				
14	The books are in care of ▶ C DEAN CARLSON	Telephone no. ▶	515-278-5764	
	Located at ▶ 3811 127TH STREET, URBANDALE, IA	ZIP+4 ▶	50323-2349	
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here, and enter the amount of tax-exempt interest received or accrued during the year ▶ 15			
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?	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 ▶			✓

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? . . . ☐ Yes ☒ No		
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No		
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? . . . ☐ Yes ☒ No		
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? . . . ☐ Yes ☒ No		
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No		
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☐ No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b	✓
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐		
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012?	1c	✓
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? ☐ Yes ☐ No		
	If "Yes," list the years ▶ 20____, 20____, 20____, 20____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions.)	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ 20____, 20____, 20____, 20____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☐ No		
b	If "Yes," did it have excess business holdings in 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	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	✓
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	✓

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:

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

b If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?Organizations relying on a current notice regarding disaster assistance check here ☐**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ 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? ☐ Yes ☐ No

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? ☐ Yes ☐ No**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
C DEAN CARLSON 3811 127TH STREET, URBANDALE, IA 50323	PRESIDENT 15	0	0	0
SANDRA S CARLSON 3811 127TH STREET, URBANDALE, IA 50323	VICE PRESIDENT 1	0	0	0

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

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

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

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services		

Part IX-A Summary of Direct Charitable Activities

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

Expenses

1	N/A	
2		
3		
4		

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

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

Amount

1	N/A	
2		
3	All other program-related investments. See instructions	
Total. Add lines 1 through 3		

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	6652448
b	Average of monthly cash balances	1b	
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	6652448
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	6652448
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	99787
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	6552661
6	Minimum investment return. Enter 5% of line 5	6	327633

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	327633
2a	Tax on investment income for 2012 from Part VI, line 5	2a	2792
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	2792
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	324841
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	324841
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	324841

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	270000
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	270000
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	270000

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				324842
2 Undistributed income, if any, as of the end of 2012:				
a Enter amount for 2011 only			0	
b Total for prior years: 20 __, 20 __, 20 __		0		
3 Excess distributions carryover, if any, to 2012:				
a From 2007	(6949)			
b From 2008	(4657)			
c From 2009	(3500)			
d From 2010	(827)			
e From 2011	(983)			
f Total of lines 3a through e	(16916)			
4 Qualifying distributions for 2012 from Part XII, line 4: ► \$ _____				
a Applied to 2011, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see instructions)		0		
c Treated as distributions out of corpus (Election required—see instructions)	0			
d Applied to 2012 distributable amount				342842
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0		
d Subtract line 6c from line 6b. Taxable amount—see instructions		0		
e Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount—see instructions			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) (see instructions)				
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)	0			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	34269			
10 Analysis of line 9:				
a Excess from 2008	(4657)			
b Excess from 2009	(3500)			
c Excess from 2010	(827)			
d Excess from 2011	(983)			
e Excess from 2012	43936			

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, 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)

2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

Tax year	Prior 3 years			(e) Total
(a) 2012	(b) 2011	(c) 2010	(d) 2009	
b 85% of line 2a				
c Qualifying distributions from Part XII, line 4 for each year listed				
d Amounts included in line 2c not used directly for active conduct of exempt activities				
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c				
3 Complete 3a, b, or c for the alternative test relied upon:				
a "Assets" alternative test—enter:				
(1) Value of all assets				
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)				
b "Endowment" alternative test—enter $\frac{2}{3}$ of minimum investment return shown in Part X, line 6 for each year listed				
c "Support" alternative test—enter:				
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)				
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)				
(3) Largest amount of support from an exempt organization				
(4) Gross investment income				

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see instructions.)**1 Information Regarding Foundation Managers:**

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

C DEAN CARLSON; SANDRA S CARLSON

- 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 or e-mail of the person to whom applications should be addressed:

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

- c** Any submission deadlines:

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

Part XV **Supplementary Information** (continued)

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

Recipient	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				
SEE ATTACHED SCHEDULE 11-A - 2 PAGES				270000
Total				3a
b Approved for future payment				
PLANNED PARENTHOOD OF THE HEARTLAND 1171 7TH ST, DES MOINES, IA 50314 PVT GEN FUND				40,000
DMARC 3816 36TH ST, DES MOINES, IA 50310 PVT GEN FUND				5000
Total				3b

	SCHEDULE	PAGE 1 OF 2
PART I	LINE 11 MTP SETTLEMI	94
	LINE 18 INTERNAL REV	2800
PART II 10B	ABBOTT	13231
	ATT	67420
	BECTON DICKINSON	22362
	BERKSHIRE	210795
	BRISTOL	101485
	CASEYS	233853
	CATERPILLAR	89609
	DEERE	172840
	DUPONT	195162
	EMC INS	35820
	FBL FIN	34210
	GENERAL GROW	30926
	HOWARD HUGHER	10953
	MEREDITH	17225
	NOVARTIS	26016
	ROUSE	981
	SPDR	91000
	TYSON	270417
	UNITED FIRE	43680
	US BANK	63880
	WELLS FARGO	83468
	PRIN LIFE	15210
	CAPITAL INC BLDR	1438766
	FRANKLIN INVS	24634
	FRANKLIN INCOME	1706324
	FRANKLIN CUST	173404
	INCOME FUND	32627
	JENSEN PORT	609407
	TEMPLETON ICOME	126382
	AEGON	50000
		0
	CONSTELLATION	102120
		0
	QCR HOLDINGS	108230
	DEKALB	111748
	ROSEMONT	233052
	OMAHA	118395
	TOTAL	6665632

SCHEDULE PAGE 2 OF 2

PART III

LINE 3 OTHER INCREASES

INCREASE IN VALUE OF INVESTMENTS HELD	422384
MISC	338
TOT	422722

LINE 5 DECREASES

OUTSTANDING CHECKS	10000
TOT	10000

SCH II A)

58 575

2012 ENHANCED SUMMARY

D.M.KELLY
 & COMPANY

 DEAN & SANDRA CARLSON FDTN
 19528 N CRESCENT RIDGE DR
 SURPRISE AZ 85387

Your Financial Consultant :

 DANIEL M. KELLY
 3900 INGERSOLL AVENUE
 SUITE 300
 DES MOINES, IA 50312
 (515) 221-1133

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As of Date: 2/08/13

Account Number: 6920-5539

Year-End Account Summary

This information is NOT provided to the Internal Revenue Service, but is being provided to you for courtesy purposes.

Please consult with your Financial Advisor or Tax Advisor regarding specific questions.

For non covered transactions, we provide supplemental cost basis information, when it is available, to assist you with completing your tax return, however, THIS INFORMATION IS NOT PROVIDED TO THE INTERNAL REVENUE SERVICE.

SHORT TERM GAINS OR LOSSES (Box 1c) FOR COVERED SECURITIES (Box 6)

Proceeds from Broker and Barter Exchange Transactions for 2012

Description (Box 8) Stock or Other Symbol (Box 1d)	Quantity Sold (Box 1e)	Unit Price	Date of Acquisition (Box 1b)	Date of Sale or Exchange (Box 1a)	Sales Price (Box 2a)*	Cost or Other Basis (Box 3)	SUPPLEMENTAL INFORMATION	
							Gain or Loss Amount	Transaction Description
ROUSE PROPERTIES INC CUSIP 779287101	0.4390	N/A	01/13/12	01/12/12	4.71	4.98	-0.27	CASH IN LIEU
TOTAL SHORT TERM GAINS OR LOSSES FOR COVERED SECURITIES					4.71	4.98	-0.27	

LONG TERM GAINS OR LOSSES (Box 1c) FOR NONCOVERED SECURITIES (Box 6)

Proceeds from Broker and Barter Exchange Transactions for 2012

Description (Box 8) Stock or Other Symbol (Box 1d)	Quantity Sold (Box 1e)	Unit Price	Date of Acquisition (Box 1b)	Date of Sale or Exchange (Box 1a)	Sales Price (Box 2a)*	Cost or Other Basis (Box 3)	SUPPLEMENTAL INFORMATION	
							Gain or Loss Amount	Transaction Description
AMERICAN ELEC PWR 8.75% JR SUB DEB DUE 3/1/2063 CALL STARTING 3/1/2013 CUSIP 02557T208	4,000 0000	25.91010	03/14/08	11/13/12	103,561.17	100,000.00	3,561.17	SALE
NEXTERA ENERGY CAP PFD HOLDINGS INC 7.45% JR SUB DEB SER E CUSIP 65339K407	4,000 0000	N/A	09/13/07	09/04/12	100,000.00	100,000.00	0.00	REDEMPTION
TOTAL LONG TERM GAINS OR LOSSES FOR NONCOVERED SECURITIES					203,561.17	200,000.00	3,561.17	

*Box 2a Sales price less commissions and option premiums

KIDS, TLC 480 ROGERS ROAD, OLATHE, KS 66062	PVT YOUTH	\$10,000
THE VILLAGES, INC 2219 S W 29TH ST, TOPEKA, KS 66611	PVT YOUTH HOMES	\$10,000
AW FOUNDATION 5928 SW 53RD, TOPEKA, KS 66610	PVT SCHOOL SUPPLIES	\$5,000
YOUTH EMERGENCY SERVICES 918 SE 11TH ST, DES MOINES, IA 50309	PVT YOUTH SERVICES	\$20,000
AMANDA THE PANDA 1000 73RD ST, #12, WINDSOR HEIGHTS, IA 50324	PVT GRIEF COUNSELING	\$5,000
LOVE, INC 2959 PLUMBERS WAY #160, LIBERTY, MO 64068	PVT YOUTH	\$10,000
GREATER KC COMMUNITY FOUNDATION 1055 BROADWAY, #130. KANSAS CITY, MO 64105	PVT YOUTH	\$5,000
HILLCREST TRANSITIONAL HOUSING P.O. BOX 901924, KANSAS CITY, MO 64190	PVT FAMILY SERVI	\$5,000
MEALS FROM THE HEARTLAND P O BOX 71606, CLIVE, IA 50325	PVT MEALS FOR POOR	\$10,000
THE CONNECTION CAFE 600 6TH AVE, DES MOINES, IA 50309	PVT MEALS FOR POOR	\$10,000
DES MOINES PASTORAL COUNSELING CENTER 8553 URBANDALE AVE, URBANDALE, IA 50322	PVT COUNSELING	\$10,000
SALVATION ARMY P O BOX 933, DES MOINES, IA 50304	PVT GEN FUND	\$5,000
AMERICAN RED CROSS 2116 GRAND AVE, DES MOINES, IA 50312	PVT GEN FUND	\$5,000
DMARC 3816 36TH STREET, DES MOINES, I 50310	PVT GEN FUND	\$20,000
SUB TOTAL		\$130,000

CHRYSLIS

300 E LOCUST ST, DES MOINES, IA 50309 PVT GEN FUND \$15,000

IOWA HOMELESS YOUTH CENTERS

420 KELLOGG AVE, AMES, IA 50010 PVT GEN FUND \$15,000

URBANDALE PUBLIC LIBRARY

3520 86TH ST, URBANDALE. IA 50322 PVT GEN FUND \$10,000

HCI FOUNDATION

2910 WESTOWN PKY, WEST DES MOINES, IA 50299 PVT GEN FUND \$10,000

UNITED WAY OF CENTRAL IOWA

1111 NINTH STREET, DES MOINES, IA 50314 PVT GEN FUND \$10,000

GRAND VIEW UNIVERSITY

1200 GRANDVIEW AVE, DES MOINES, IA 50316 PVT GEN FUND \$10,000

PLANNED PARENTHOOD OF THE HEARTLAND

1171 7TH ST, DES MOINES, IA 50314 PVT GEN FUND \$35,000

IOWA PUBLIC RADIO

2111 GRAND AVE, DES MOINES, IA 50312 PVT GEN FUND \$5,000

SUNFLOWER HOUSE, INC

15440 WEST 65TH ST, SHAWNEE, KS 66217 PVT GEN FUND \$8,000

CIVIC CENTER OF GREATER DES MOINES

221 WALNUT STREET, DES MOINESM IA 50309 PVT YOUTH \$10,000

CHILDRENS CANCER CONNECTION

1221 CENTER ST, SUITE 12, DES MOINES, IA 50309 PVT YOUTH \$5,000

ROSE BROOKS

P O BOX 320599, KANSAS CITY, MO 64132 PVT YOUTH \$2,000

LUTHERAN SERVICES IN IOWA

3116 UNIVERSITY AVE, DES MOIESM IA 50311 PVT YOUTH \$5,000/

GRAND TOTAL - PART XV

\$270,000