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

Department of the Treasury
Internal Revenue Service

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

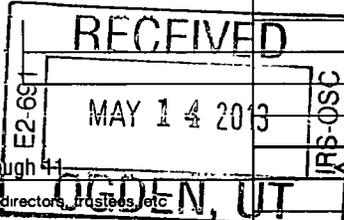
For calendar year **2012** or tax year beginning

, and ending

Name of foundation THE DAVID AND HEIDI WELCH FOUNDATION		A Employer identification number 94-3332166
Number and street (or P O box number if mail is not delivered to street address) 217 CAMINO AL LAGO	Room/suite	B Telephone number 650-326-9339
City or town, state, and ZIP code ATHERTON, CA 94027		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 707,704.	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))</small>	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received			N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments	4.	4.		STATEMENT 1
4 Dividends and interest from securities	21,533.	21,533.		STATEMENT 2
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	<87,212.>			
b Gross sales price for all assets on line 6a	610,842.			
7 Capital gain net income (from Part IV, line 2)		0.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss)				
11 Other income				
12 Total. Add lines 1 through 11	65,675.>	21,537.		
13 Compensation of officers, directors, trustees, etc.	0.	0.		0.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees	2,800.	0.		2,810.
c Other professional fees	7,751.	7,751.		0.
17 Interest				
18 Taxes	149.	149.		0.
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses	10.	0.		0.
24 Total operating and administrative expenses. Add lines 13 through 23	10,710.	7,900.		2,810.
25 Contributions, gifts, grants paid	601,000.			601,000.
26 Total expenses and disbursements. Add lines 24 and 25	611,710.	7,900.		603,810.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	<677,385.>			
b Net investment income (if negative, enter -0-)		13,637.		
c Adjusted net income (if negative, enter -0-)			N/A	

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1 Cash - non-interest-bearing					
	2 Savings and temporary cash investments	51,226.	47,419.	47,419.		
	3 Accounts receivable					
	Less: allowance for doubtful accounts					
	4 Pledges receivable					
	Less: allowance for doubtful accounts					
	5 Grants receivable					
	6 Receivables due from officers, directors, trustees, and other disqualified persons					
	7 Other notes and loans receivable					
	Less: allowance for doubtful accounts					
	8 Inventories for sale or use					
	9 Prepaid expenses and deferred charges					
	10a Investments - U.S. and state government obligations					
	b Investments - corporate stock STMT 7	1,238,159.	565,057.	659,842.		
	c Investments - corporate bonds					
11 Investments - land, buildings, and equipment basis						
Less accumulated depreciation						
12 Investments - mortgage loans						
13 Investments - other						
14 Land, buildings, and equipment: basis						
Less accumulated depreciation						
15 Other assets (describe STATEMENT 8)	920.	444.	443.			
16 Total assets (to be completed by all filers)	1,290,305.	612,920.	707,704.			
Liabilities	17 Accounts payable and accrued expenses					
	18 Grants payable					
	19 Deferred revenue					
	20 Loans from officers, directors, trustees, and other disqualified persons					
	21 Mortgages and other notes payable					
	22 Other liabilities (describe)					
23 Total liabilities (add lines 17 through 22)	0.	0.				
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input type="checkbox"/>					
	and complete lines 24 through 26 and lines 30 and 31.					
	24 Unrestricted					
	25 Temporarily restricted					
	26 Permanently restricted					
	Foundations that do not follow SFAS 117, check here <input checked="" type="checkbox"/>					
	and complete lines 27 through 31.					
	27 Capital stock, trust principal, or current funds	625.	625.			
28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.				
29 Retained earnings, accumulated income, endowment, or other funds	1,289,680.	612,295.				
30 Total net assets or fund balances	1,290,305.	612,920.				
31 Total liabilities and net assets/fund balances	1,290,305.	612,920.				

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	1,290,305.
2 Enter amount from Part I, line 27a	2	<677,385.>
3 Other increases not included in line 2 (itemize)	3	0.
4 Add lines 1, 2, and 3	4	612,920.
5 Decreases not included in line 2 (itemize)	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	612,920.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEI SHORT TERM GAIN, ATTACHED	P	VARIOUS	11/20/12
b SEI LONG TERM LOSS, ATTACHED	P	VARIOUS	11/20/12
c CAPITAL GAINS DIVIDENDS			
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 16,626.		16,288.	338.
b 591,125.		681,766.	<90,641.>
c 3,091.			3,091.
d			
e			

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			338.
b			<90,641.>
c			3,091.
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	<87,212.>
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	717,174.	1,742,363.	.411610
2010	340,058.	1,837,060.	.185110
2009	128,830.	1,733,898.	.074301
2008	306,954.	2,605,520.	.117809
2007	45,245.	3,178,670.	.014234

2 Total of line 1, column (d)	2	.803064
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	.160613
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	953,342.
5 Multiply line 4 by line 3	5	153,119.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	136.
7 Add lines 5 and 6	7	153,255.
8 Enter qualifying distributions from Part XII, line 4	8	603,810.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	136.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0.
3	Add lines 1 and 2	3	136.
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	136.
6	Credits/Payments:		
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a	415.
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	415.
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	279.
11	Enter the amount of line 10 to be: Credited to 2013 estimated tax <input type="checkbox"/> 279. Refunded <input checked="" type="checkbox"/>	11	0.

Part VII-A Statements Regarding Activities

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

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)
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)
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?
Website address N/A
14 The books are in care of FOUNDERS FINANCIAL NETWORK Telephone no. 408-366-8925
Located at 10050 N WOLFE RD, SW1-281, CUPERTINO, CA ZIP+4 95041
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 N/A
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

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.

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?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(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)?
(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.)
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
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?
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
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.)
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?
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.)
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?
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?

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

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

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

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

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? Yes No
 If "Yes," attach the statement required by Regulations section 53.4945-5(d). N/A

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

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

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.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
DAVID F WELCH 217 CAMINO AL LAGO ATHERTON, CA 94027	DIRECTOR AND	PRESIDENT		
	2.00	0.	0.	0.
HEIDI A WELCH 217 CAMINO AL LAGO ATHERTON, CA 94027	DIRECTOR/VP/SECRETARY/CFO			
	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		
		0

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

0

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 FINANCIAL SUPPORT FOR CHARITABLE ORGANIZATIONS BENEFITTING THE COMMUNITY, INCLUDING RELATED ADMINISTRATIVE EXPENSES	0.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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

	Amount
1 NO PROGRAM RELATED INVESTMENTS WERE MADE DURING THE YEAR	0.
2	
3 All other program-related investments. See instructions.	
Total. Add lines 1 through 3	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	923,447.
b	Average of monthly cash balances	1b	44,413.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	967,860.
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	967,860.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	14,518.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	953,342.
6	Minimum investment return. Enter 5% of line 5	6	47,667.

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	47,667.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	136.
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	136.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	47,531.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	47,531.
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	47,531.

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	603,810.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	603,810.
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	136.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	603,674.

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				47,531.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2012:				
a From 2007				
b From 2008	177,922.			
c From 2009	43,047.			
d From 2010	248,833.			
e From 2011	630,598.			
f Total of lines 3a through e	1,100,400.			
4 Qualifying distributions for 2012 from Part XII, line 4: ▶ \$ 603,810.				
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				47,531.
e Remaining amount distributed out of corpus	556,279.			
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	1,656,679.			
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 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	0.			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	1,656,679.			
10 Analysis of line 9:				
a Excess from 2008	177,922.			
b Excess from 2009	43,047.			
c Excess from 2010	248,833.			
d Excess from 2011	630,598.			
e Excess from 2012	556,279.			

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

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

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

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year-see instructions.)

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

SEE STATEMENT 9
 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 Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
MENLO SCHOOL ANNUAL FUND 50 VALPARISO AVENUE MENLO PARK, CA 94027	NA	501(C)3 PUBLIC CHARITY	EDUCATION	6,000.
MENLO SCHOOL CAPITAL CAMPAIGN 50 VALPARISO AVENUE MENLO PARK, CA 94027	NA	501(C)3 PUBLIC CHARITY	EDUCATION	10,000.
NATURAL RESOURCE DEFENSE COUNCIL 40 W 20TH ST NEW YORK, NY 10011	NA	501(C)3 PUBLIC CHARITY	SUPPORT CENTER FOR MARKET INNOVATION FELLOWS	10,000.
RIEKES CENTER 3455 EDISON WAY MENLO PARK, CA 94025	NA	501(C)3 PUBLIC CHARITY	EDUCATION - MENTORING PROGRAM	5,000.
STUDENTS FIRST FOUNDATION 325 SHARON PARK DRIVE MENLO PARK, CA 94025	NA	501(C)3 PRIVATE CHARITY	EDUCATION REFORM	550,000.
Total	SEE CONTINUATION SHEET(S)			601,000.
b Approved for future payment				
NONE				
Total				
				0.

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

SOURCE	AMOUNT
SCHWAB	4.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	4.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
SEI INVESTMENTS	24,624.	3,091.	21,533.
TOTAL TO FM 990-PF, PART I, LN 4	24,624.	3,091.	21,533.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	2,800.	0.		2,810.
TO FORM 990-PF, PG 1, LN 16B	2,800.	0.		2,810.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ADVISOR FEES	7,751.	7,751.		0.
TO FORM 990-PF, PG 1, LN 16C	7,751.	7,751.		0.

FORM 990-PF	TAXES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES	149.	149.		0.
TO FORM 990-PF, PG 1, LN 18	149.	149.		0.

FORM 990-PF	OTHER EXPENSES			STATEMENT 6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FILING FEES	10.	0.		0.
TO FORM 990-PF, PG 1, LN 23	10.	0.		0.

FORM 990-PF	CORPORATE STOCK		STATEMENT 7
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE	
SEI MUTUAL FUNDS	565,057.	659,842.	
TOTAL TO FORM 990-PF, PART II, LINE 10B	565,057.	659,842.	

FORM 990-PF	OTHER ASSETS			STATEMENT 8
DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE	
ACCRUED DIVIDENDS	920.	443.	443.	
ROUNDING	0.	1.	0.	
TO FORM 990-PF, PART II, LINE 15	920.	444.	443.	

FORM 990-PF

PART XV - LINE 1A
LIST OF FOUNDATION MANAGERS

STATEMENT 9

NAME OF MANAGER

DAVID F WELCH
HEIDI A WELCH

2012 Tax Information Statement

Page 6 of 17

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

Account Number:
Recipient's Tax ID Number.

152059
94-3332168

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

Corrected

2nd TIN notice

2012 Proceeds from Broker and Barter Exchange Transactions

Sales are listed at Gross Proceeds less commissions and option premiums

Cusip	Description	Stock or Other Symbol	Quantity Sold	Date of Sale or Exchange	Date of Acquisition	Stocks Bonds, etc	Cost or Other Basis	Wash Sale Loss Disallowed	Net Gain or Loss	Federal Income Tax Withheld	State Tax Withheld
Short Term Sales											
78411R851	EMERGING MKTS DEBT FUND (SITEX)	98									
8 9590	02/24/2012 07/01/2011					102 49	101 77	0 00	0 72	0 00	0 00
78411R851	EMERGING MKTS DEBT FUND (SITEX)	98									
478 9220	05/10/2012					5,502 81	5,436 83	0 00	65 98	0 00	0 00
78411R851	EMERGING MKTS DEBT FUND (SITEX)	98									
459 1740	07/11/2012					5,294 28	5,058 39	0 00	235 89	0 00	0 00
78411R851	EMERGING MKTS DEBT FUND (SITEX)	98									
28 8770	11/01/2012 10/01/2012					347 97	345 95	0 00	2 02	0 00	0 00
78411R851	EMERGING MKTS DEBT FUND (SITEX)	98									
48 1410	11/20/2012 10/01/2012					580 10	576 73	0 00	3 37	0 00	0 00
78411R703	EMERGING MKTS EQUITY FUND (SIEMX)	97									
9 3600	07/11/2012 12/27/2011					88 92	87 61	0 00	1 31	0 00	0 00
783925647	HIGH YIELD BOND FUND (SHYAX)	59									
148 9010	07/11/2012 08/01/2011					1,104 85	1,122 71	0 00	-17 86	0 00	0 00
783925647	HIGH YIELD BOND FUND (SHYAX)	59									
36 6920	11/01/2012 11/01/2012					280 33	279 96	0 00	0 37	0 00	0 00
783925847	HIGH YIELD BOND FUND (SHYAX)	59									
327 6670	11/20/2012					2,487 00	2,458 27	0 00	28 73	0 00	0 00

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2012 Tax Information Statement

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

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

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

Corrected 2nd TIN notice

Sales are listed at Gross Proceeds less commissions and option premiums

Cusip	Description	Stock or Other Symbol	Sales			Net Gain or Loss	Federal Income Tax Withheld	State Tax Withheld
			Quantity Sold	Date of Sale or Exchange	Date of Acquisition			
783925662	LARGE CAP GROWTH FUND (SELCX)	57						
24 3840	05/10/2012	593 01		569 92	0 00	23 09	0 00	0 00
783925662	LARGE CAP GROWTH FUND (SELCX)	57						
2 3150	07/11/2012 07/03/2012	54 54		56 45	0 00	-1 91	0 00	0 00
783925662	LARGE CAP GROWTH FUND (SELCX)	57						
7 5540	11/01/2012 10/02/2012	189 45		193 47	0 00	-4 02	0 00	0 00
Total Short Term Sales			16,625 75	16,288 06	0 00	337 69	0 00	0 00
Long Term 15% Sales								
78411R851	EMERGING MKTS DEBT FUND (SITEX)	98						
3469 5000	05/10/2012	39,864 56		38,239 16	0 00	1,625 40	0 00	0 00
78411R851	EMERGING MKTS DEBT FUND (SITEX)	98						
32 1210	05/11/2012 12/06/2006	368 75		352 69	0 00	16 06	0 00	0 00
78411R851	EMERGING MKTS DEBT FUND (SITEX)	98						
2901 0590	07/11/2012	33,449 23		31,575 10	0 00	1,874 13	0 00	0 00
78411R851	EMERGING MKTS DEBT FUND (SITEX)	98						
30 6870	08/07/2012 12/01/2005	363 95		329 27	0 00	34 68	0 00	0 00
78411R851	EMERGING MKTS DEBT FUND (SITEX)	98						
597 6840	11/20/2012 12/01/2005	7,202 10		6,413 15	0 00	788 95	0 00	0 00

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2012 Tax Information Statement

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

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

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

Corrected

2nd TIN notice

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

Cusip	Description	Stock or Other Symbol	Quantity Sold	Date of Sale or Exchange	Date of Acquisition	Stocks Bonds, etc	Cost or Other Basis	Wash Sale Loss Disallowed	Net Gain or Loss	Federal Income Tax Withheld	State Tax Withheld
78411R703	EMERGING MKTS EQUITY FUND (SIEMX)	97									
1 8510	02/24/2012 12/05/2007					20 10	33 43	0 00	-13 33	0 00	0 00
78411R703	EMERGING MKTS EQUITY FUND (SIEMX)	97									
809 1520	05/10/2012 12/05/2007					8,075 34	14,613 28	0 00	-6,537 94	0 00	0 00
78411R703	EMERGING MKTS EQUITY FUND (SIEMX)	97									
6 6640	05/11/2012 12/05/2007					65 97	120 35	0 00	-54 38	0 00	0 00
78411R703	EMERGING MKTS EQUITY FUND (SIEMX)	97									
676 7640	07/11/2012					6,429 25	9,831 85	0 00	-3,402 60	0 00	0 00
78411R703	EMERGING MKTS EQUITY FUND (SIEMX)	97									
6 2260	08/07/2012 12/03/2008					61 26	34 12	0 00	27 14	0 00	0 00
78411R703	EMERGING MKTS EQUITY FUND (SIEMX)	97									
5 7620	11/01/2012 12/03/2008					59 75	31 58	0 00	28 17	0 00	0 00
78411R703	EMERGING MKTS EQUITY FUND (SIEMX)	97									
130 8830	11/20/2012 12/03/2008					1,321 92	717 24	0 00	604 68	0 00	0 00
783925647	HIGH YIELD BOND FUND (SHYAX)	59									
11 2010	02/24/2012 06/01/2007					82 66	97 00	0 00	-14 34	0 00	0 00
783925647	HIGH YIELD BOND FUND (SHYAX)	59									
4965 5240	05/10/2012					37,042 79	42,214 36	0 00	-5,171 57	0 00	0 00

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94-3332166

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217 CAMINO AL LAGO
ATHERTON, CA 94027

Corrected

2nd TIN notice

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Cusip	Description	Stock or Other Symbol	Stocks		Wash Sale Loss Disallowed	Net Gain or Loss	Federal Income Tax Withheld	State Tax Withheld
			Bonds, etc	Cost or Other Basis				
783925647	HIGH YIELD BOND FUND (SHYAX)	59						
40 4060	05/11/2012		301 43	338 02	0 00	-36 59	0 00	0 00
783925647	HIGH YIELD BOND FUND (SHYAX)	59						
4093 1140	07/11/2012		30,370 91	32,557 75	0 00	-2,186 84	0 00	0 00
783925647	HIGH YIELD BOND FUND (SHYAX)	59						
38 8150	08/07/2012		291 11	291 38	0 00	-0 27	0 00	0 00
783925647	HIGH YIELD BOND FUND (SHYAX)	59						
498 4360	11/20/2012		3,783 13	3,727 74	0 00	55 39	0 00	0 00
78411R109	INTERNATIONAL EQUITY FUND (SEITX)	95						
11 4670	02/24/2012 12/06/2006		94 95	167 99	0 00	-73 04	0 00	0 00
78411R109	INTERNATIONAL EQUITY FUND (SEITX)	95						
5009 0680	05/10/2012		38,670 00	72,027 26	0 00	-33,357 26	0 00	0 00
78411R109	INTERNATIONAL EQUITY FUND (SEITX)	95						
41 0250	05/11/2012 12/05/2007		316 30	578 86	0 00	-262 56	0 00	0 00
78411R109	INTERNATIONAL EQUITY FUND (SEITX)	95						
4253 6680	07/11/2012		32,072 65	59,336 81	0 00	-27,264 16	0 00	0 00
78411R109	INTERNATIONAL EQUITY FUND (SEITX)	95						
38 4190	08/07/2012 12/27/2007		304 66	513 28	0 00	-208 62	0 00	0 00

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ONE FREEDOM VALLEY DRIVE
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ATHERTON, CA 94027

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2nd TIN notice

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Cusip	Description	Stock or Other Symbol	Date		Stocks Bonds, etc	Cost or Other Basis	Wash Sale Loss-Disallowed	Net Gain or Loss	Federal Income Tax Withheld	State Tax Withheld
			Date of Sale or Exchange	Date of Acquisition						
78411R109	INTERNATIONAL EQUITY FUND (SEITX)	95								
35 8130			11/01/2012	12/27/2007	297 25	478 46	0 00	-181 21	0 00	0 00
78411R109	INTERNATIONAL EQUITY FUND (SEITX)	95								
810 7160			11/20/2012		6,558 69	10,279 11	0 00	-3,720 42	0 00	0 00
783925662	LARGE CAP GROWTH FUND (SELCX)	57								
6 9090			02/24/2012	10/02/2007	169 54	165 54	0 00	4 00	0 00	0 00
783925662	LARGE CAP GROWTH FUND (SELCX)	57								
3000 7130			05/10/2012		72,977 34	57,180 36	0 00	15,796 98	0 00	0 00
783925662	LARGE CAP GROWTH FUND (SELCX)	57								
24 6360			05/11/2012	03/04/2002	598 66	462 42	0 00	136 24	0 00	0 00
783925662	LARGE CAP GROWTH FUND (SELCX)	57								
2560 3670			07/11/2012		60,322 22	48,020 22	0 00	12,302 00	0 00	0 00
783925662	LARGE CAP GROWTH FUND (SELCX)	57								
22 9880			08/07/2012	11/09/2001	569 41	430 80	0 00	138 61	0 00	0 00
783925662	LARGE CAP GROWTH FUND (SELCX)	57								
13 9220			11/01/2012	11/09/2001	349 17	260 90	0 00	88 27	0 00	0 00
783925662	LARGE CAP GROWTH FUND (SELCX)	57								
485 9130			11/20/2012	11/09/2001	12,011 76	9,106 01	0 00	2,905 75	0 00	0 00

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Recipient's Tax ID Number **94-3332166**

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217 CAMINO AL LAGO
ATHERTON, CA 94027

Corrected 2nd TIN notice

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

Cusip	Description	Stock or Other Symbol	Quantity Sold	Date of Sale or Exchange	Date of Acquisition	Stocks Bonds, etc	Cost or Other Basis	Wash Sale Loss Disallowed	Net Gain or Loss	Federal Income Tax Withheld	State Tax Withheld
783925100	LARGE CAP VALUE FUND (TRMVX)	60	8 6560	02/24/2012	07/02/2007	150 10	211 47	0 00	-61 37	0 00	0 00
783925100	LARGE CAP VALUE FUND (TRMVX)	60	3771 3660	05/10/2012		64,037 81	86,302 94	0 00	-22,265 13	0 00	0 00
783925100	LARGE CAP VALUE FUND (TRMVX)	60	30 9730	05/11/2012	07/03/2006	523 13	694 11	0 00	-170 98	0 00	0 00
783925100	LARGE CAP VALUE FUND (TRMVX)	60	3202 2660	07/11/2012		52,997 52	67,068 26	0 00	-14,070 74	0 00	0 00
783925100	LARGE CAP VALUE FUND (TRMVX)	60	29 0130	08/07/2012	12/05/2007	503 09	596 22	0 00	-93 13	0 00	0 00
783925100	LARGE CAP VALUE FUND (TRMVX)	60	27 1470	11/01/2012	12/05/2007	490 28	557 87	0 00	-67 59	0 00	0 00
783925100	LARGE CAP VALUE FUND (TRMVX)	60	613 2290	11/20/2012	12/05/2007	10,743 78	12,601 86	0 00	-1,858 08	0 00	0 00
783925837	SMALL CAP GROWTH FUND (SSCGX)	67	1 9720	02/24/2012	12/27/2007	36 88	37 49	0 00	-0 61	0 00	0 00
783925837	SMALL CAP GROWTH FUND (SSCGX)	67	857 5370	05/10/2012		15,246 99	15,969 30	0 00	-722 31	0 00	0 00

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2012 Tax Information Statement

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ONE FREEDOM VALLEY DRIVE
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Account Number: 152059
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217 CAMINO AL LAGO
ATHERTON, CA 94027

Corrected

2nd TIN notice

Sales are listed at Gross Proceeds less commissions and option premiums

Cusip	Description	Stock or Other Symbol	Net Gain or Loss		Wash Sale Loss Disallowed	Federal Income Tax Withheld	State Tax Withheld
			Quantity Sold	Cost or Other Basis			
783925837	SMALL CAP GROWTH FUND (SSCGX)	67					
7 0020	05/11/2012 03/30/2004		124 35	118 54	0 00	5 81	0 00
783925837	SMALL CAP GROWTH FUND (SSCGX)	67					
729 2960	07/11/2012 03/30/2004		12,689 74	12,346 98	0 00	342 76	0 00
783925837	SMALL CAP GROWTH FUND (SSCGX)	67					
6 4960	08/07/2012 03/30/2004		116 09	109 98	0 00	6 11	0 00
783925837	SMALL CAP GROWTH FUND (SSCGX)	67					
6 0750	11/01/2012 03/30/2004		111 05	102 85	0 00	8 20	0 00
783925837	SMALL CAP GROWTH FUND (SSCGX)	67					
137 6610	11/20/2012 03/30/2004		2,420 10	2,330 60	0 00	89 50	0 00
783925688	SMALL CAP VALUE FUND (SESVX)	58					
2 3470	02/24/2012 07/02/2007		42 95	53 37	0 00	-10 42	0 00
783925688	SMALL CAP VALUE FUND (SESVX)	58					
1015 7720	05/10/2012		17,989 33	21,457 34	0 00	-3,468 01	0 00
783925688	SMALL CAP VALUE FUND (SESVX)	58					
8 3420	05/11/2012 12/08/2004		147 15	164 34	0 00	-17 19	0 00
783925688	SMALL CAP VALUE FUND (SESVX)	58					
864 8310	07/11/2012		15,125 90	16,996 34	0 00	-1,870 44	0 00

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2012 Tax Information Statement

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ONE FREEDOM VALLEY DRIVE
OAKS, PA 19456

Account Number: **152059**
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Sales are listed at Gross Proceeds less commissions and option premiums.

Cusip	Description	Stock or Other Symbol	Quantity		Wash Sale Loss Disallowed	Net Gain or Loss	Federal Income Tax Withheld	State Tax Withheld
			Sold	Acquired				
783925688	SMALL CAP VALUE FUND (SESVX)	58						
7 8310	08/07/2012 12/07/2005	138 46			0 00	-15 11	0 00	0 00
783925688	SMALL CAP VALUE FUND (SESVX)	58						
7 2650	11/01/2012 12/07/2005	132 45			0 00	-10 02	0 00	0 00
783925688	SMALL CAP VALUE FUND (SESVX)	58						
164 4720	11/20/2012 12/07/2005	2,891 42			0 00	-333 87	0 00	0 00
Total Long Term 15% Sales			591,125 38	681,766 68	0 00	-90,641 30	0 00	0 00

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