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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 **APR 1, 2012** and ending **MAR 31, 2013**

Name of foundation WILLIAM A. BADGER FOUNDATION C/O WELLS FARGO BANK, NA TTEE		A Employer identification number 74-6087935
Number and street (or P.O. box number if mail is not delivered to street address) P.O. BOX 41629	Room/suite	B Telephone number 979-776-3267
City or town, state, and ZIP code AUSTIN, TX 78704-0028		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change		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) \$ 53,169,878.	J Accounting method: <input type="checkbox"/> Cash <input checked="" 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	(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 Dividends and interest from securities	1,320,426.	1,320,426.		STATEMENT 1
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	471,504.			
b Gross sales price for all assets on line 6a	6,704,843.			
7 Capital gain net income (from Part IV, line 2)		471,504.		
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	119,334.	119,334.		STATEMENT 2
12 Total. Add lines 1 through 11	1,911,264.	1,911,264.		
13 Compensation of officers, directors, trustees, etc	187,306.	140,479.		46,827.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees	5,975.	5,975.		0.
c Other professional fees				
17 Interest		14.		
18 Taxes	6,709.	6,709.		0.
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses	33.	35,536.		0.
24 Total operating and administrative expenses. Add lines 13 through 23	200,023.	188,713.		46,827.
25 Contributions, gifts, grants paid	2,526,044.			2,526,044.
26 Total expenses and disbursements. Add lines 24 and 25	2,726,067.	188,713.		2,572,871.
27 Subtract line 26 from line 12.				
a Excess of revenue over expenses and disbursements	<814,803.>			
b Net investment income (if negative, enter -0-)		1,722,551.		
c Adjusted net income (if negative, enter -0-)			N/A	

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LHA For Paperwork Reduction Act Notice, see instructions.

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Operating and Administrative Expenses

WILLIAM A. BADGER FOUNDATION
C/O WELLS FARGO BANK, NA TTEE

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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		1,366,897.	382,262.	382,262.
	2	Savings and temporary cash investments				
	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		10,840.		
	10a	Investments - U.S. and state government obligations STMT 8		3,216,894.	3,046,987.	3,160,030.
	b	Investments - corporate stock STMT 9		37,135,083.	37,965,855.	43,277,976.
	c	Investments - corporate bonds STMT 10		6,878,837.	6,180,983.	6,349,610.
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 11)		44,526.	0.	0.	
16	Total assets (to be completed by all filers)		48,653,077.	47,576,087.	53,169,878.	
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 checked="" type="checkbox"/> X and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted		48,653,077.	47,576,087.	
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/>					
	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		48,653,077.	47,576,087.		
31	Total liabilities and net assets/fund balances		48,653,077.	47,576,087.		

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	48,653,077.
2	Enter amount from Part I, line 27a	2	<814,803.>
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 6	3	253,261.
4	Add lines 1, 2, and 3	4	48,091,535.
5	Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 7	5	515,448.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	47,576,087.

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Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a			
b SEE ATTACHED STATEMENTS			
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 6,704,843.		6,227,664.	471,504.

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			
c			
d			
e			471,504.

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	471,504.
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	2,493,536.	47,708,941.	.052266
2010	2,612,604.	49,857,676.	.052401
2009	2,778,339.	46,072,084.	.060304
2008	2,205,402.	50,137,419.	.043987
2007			

2 Total of line 1, column (d)	2	.208958
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	.052240
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	40,545,259.
5 Multiply line 4 by line 3	5	2,118,084.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	17,226.
7 Add lines 5 and 6	7	2,135,310.
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	2,572,871.

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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	17,226.
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	17,226.
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	17,226.
6 Credits/Payments:			
a 2012 estimated tax payments and 2011 overpayment credited to 2012	6a	10,840.	
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	10,840.	
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 SEE STATEMENT 12	9	6,386.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be: Credited to 2013 estimated tax 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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? 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.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. \$ 0. (2) On foundation managers. \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) TX		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	X	
14	The books are in care of ► KENNETH D. LOKE - WELLS FARGO, TX N Telephone no. ► 979-776-3267 Located at ► 3000 BRIARCREST DR, 2ND FLOOR, BRYAN, TX ZIP+4 ► 77802-5034			
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 ►	16	Yes	No
				X

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A	
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?		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.)	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)	N/A	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		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?		X

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?

☐ 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

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

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

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
WELLS FARGO BANK, N.A. P.O. BOX 2626 WACO, TX 76702	TRUST DEPARTMENT 2.00	187,306.	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

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Part VIII**Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** (continued)**3** Five highest-paid independent contractors for professional services. 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	
SEE STATEMENT 15	2,526,044.
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 N/A	
2	
3	
All other program-related investments. See instructions.	
Total. Add lines 1 through 3	0.

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

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	40,635,195.
b	Average of monthly cash balances	1b	527,504.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	41,162,699.
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	41,162,699.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	617,440.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	40,545,259.
6	Minimum investment return. Enter 5% of line 5	6	2,027,263.

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	2,027,263.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	17,226.
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	17,226.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	2,010,037.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	2,010,037.
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	2,010,037.

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	2,572,871.
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	2,572,871.
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	17,226.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	2,555,645.

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.

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WILLIAM A. BADGER FOUNDATION
C/O WELLS FARGO BANK, NA TTEE

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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				2,010,037.
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				
b From 2008				
c From 2009	219,446.			
d From 2010	186,022.			
e From 2011	129,745.			
f Total of lines 3a through e	535,213.			
4 Qualifying distributions for 2012 from Part XII, line 4: ▶ \$	2,572,871.			
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				2,010,037.
e Remaining amount distributed out of corpus	562,834.			
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	1,098,047.			
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	1,098,047.			
10 Analysis of line 9:				
a Excess from 2008				
b Excess from 2009	219,446.			
c Excess from 2010	186,022.			
d Excess from 2011	129,745.			
e Excess from 2012	562,834.			

WILLIAM A. BADGER FOUNDATION
C/O WELLS FARGO BANK, NA TTEE

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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)

	Prior 3 years				(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)(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).)

NONE

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:

WILLIAM A. BADGER FOUNDATION
C/O WELLS FARGO BANK, NA TTEE

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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				
BAYLOR UNIVERSITY P.O. BOX 97041 WACO, TX 76798			EDUCATION	1,010,418.
CITY OF WACO - FBO OAKWOOD CEMETERY P.O. BOX 2570 WACO, TX 76702			COMMUNITY AWARENESS & INVOLVEMENT AND UPKEEP OF PROP	126,302.
EDINBURG UNITED METHODIST CHURCH 107 W CAMPBELL ST EDINBURGH, IN 46124			COMMUNITY AWARENESS & INVOLVEMENT	126,302.
METHODIST CHILDREN'S HOME OF WACO 1111 HERRING AVE WACO, TX 76708			COMMUNITY AWARENESS & INVOLVEMENT	884,116.
PAUL QUINN COLLEGE 3837 SIMPSON STUART RD DALLAS, TX 75241			EDUCATION	126,302.
Total	SEE CONTINUATION SHEET(S)			2,526,044.
b Approved for future payment				
NONE				
Total				0.

223611
12-05-12

Form **990-PF** (2012)

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

- | | | | |
|---|--------------|------------|-----------|
| 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting foundation to a noncharitable exempt organization of:
(1) Cash
(2) Other assets

b Other transactions:
(1) Sales of assets to a noncharitable exempt organization
(2) Purchases of assets from a noncharitable exempt organization
(3) Rental of facilities, equipment, or other assets
(4) Reimbursement arrangements
(5) Loans or loan guarantees
(6) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received. | | Yes | No |
| | 1a(1) | | X |
| | 1a(2) | | X |
| | 1b(1) | | X |
| | 1b(2) | | X |
| | 1b(3) | | X |
| | 1b(4) | | X |
| | 1b(5) | | X |
| | 1b(6) | | X |
| | 1c | | X |

[illegible]

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

b If "Yes," complete the following schedule		
(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, this true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.				May the IRS discuss this return with the preparer shown below (see instr.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
	Signature of officer or trustee <i>James Robert Beck</i>		Date <i>2-11-14</i>			Title <i>WELLS FARGO BANK TRUST DEPA</i>	
Paid Preparer Use Only	Print/Type preparer's name		Preparer's signature		Date	Check <input type="checkbox"/> if self-employed	PTIN
	MIKE LUCAS, CPA		<i>Mike Lucas</i>		<i>2-10-14</i>		P00581536
	Firm's name ▶ PATTILLO, BROWN & HILL, L.L.P.					Firm's EIN ▶ 74-1130599	
	Firm's address ▶ P.O. BOX 20725 WACO, TX 76702-0725					Phone no. (254) 772-4901	

Form **990-PF** (2012)

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	300,000 ABBOTT LABS BOND		06/27/08	12/10/12
b	353 ABBOTT LABS		05/06/11	06/12/12
c	1,167 ABBOTT LABS		04/26/04	07/10/12
d	1,330 ABBOTT LABS		04/26/04	11/13/12
e	490 ACCENTURE PLC		11/24/10	11/30/12
f	340 AFFILIATED MANAGERS GROUP, INC COM		07/14/10	11/30/12
g	180 AMAZON COM INC COM		11/24/10	11/30/12
h	90 AMAZON COM INC COM		11/24/10	02/08/13
i	470 ANHEUSER-BUSCH INBEV SPN ADR		09/02/11	11/20/12
j	208 APPLE INC		02/11/08	04/16/12
k	70 APPLE INC		02/11/08	09/06/12
l	20 APPLE INC		11/13/12	11/30/12
m	300,000 AT&T INC		01/07/08	06/29/12
n	2,117 BAKER HUGHES INC COM		02/11/08	10/15/12
o	250,000 BANK OF NOVA SCOTIA BOND		03/14/11	11/05/12

	(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	354,282.		310,455.	43,827.
b	21,657.		18,564.	3,093.
c	75,620.		53,190.	22,430.
d	85,957.		54,829.	31,128.
e	32,933.		21,702.	11,231.
f	43,478.		26,862.	16,616.
g	43,919.		31,951.	11,968.
h	24,081.		15,976.	8,105.
i	38,765.		25,595.	13,170.
j	129,982.		26,796.	103,186.
k	46,513.		9,018.	37,495.
l	11,683.		10,936.	747.
m	307,385.		304,539.	2,846.
n	93,212.		137,145.	<43,933.>
o	291,720.		251,077.	40,643.

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			43,827.
b			3,093.
c			22,430.
d			31,128.
e			11,231.
f			16,616.
g			11,968.
h			8,105.
i			13,170.
j			103,186.
k			37,495.
l			747.
m			2,846.
n			<43,933.>
o			40,643.

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	
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	

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	775 CARNIVAL CORP		11/24/10	10/15/12
b	1,002 CARNIVAL CORP		11/24/10	11/30/12
c	330 CELGENE CORP COM		10/22/09	08/21/12
d	1,400 COGNIZANT TECH SOLUTIONS CRP COM		12/28/10	09/13/12
e	575 COMCAST CORP CLASS A		11/24/10	08/21/12
f	8.269 COMPANHIA DE BEBIDAS		04/08/11	06/21/12
g	1,144 CONOCOPHILLIPS		11/24/10	04/19/12
h	1,574 COOPER INDUSTRIES		07/14/10	06/29/12
i	160 DIAGEO PLC-ADR		11/24/10	11/16/12
j	140 DIAGEO PLC-ADR		11/24/10	11/20/12
k	215 DIAGEO PLC-ADR		11/24/10	01/09/13
l	.74 EATON CORP		11/30/12	12/17/12
m	353 EXXON MOBIL CORP		06/24/11	04/02/12
n	402 EXXON MOBIL CORP		06/01/82	04/02/12
o	898 EXXON MOBIL CORP		06/01/82	05/23/12

	(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	28,398.		32,875.	<4,477.>
b	38,266.		42,505.	<4,239.>
c	23,198.		18,397.	4,801.
d	93,772.		104,074.	<10,302.>
e	19,601.		11,741.	7,860.
f	53.			53.
g	84,785.		70,139.	14,646.
h	104,424.		73,284.	31,140.
i	18,491.		11,897.	6,594.
j	15,975.		10,410.	5,565.
k	25,160.		15,986.	9,174.
l	38.		38.	0.
m	30,191.		27,319.	2,872.
n	34,382.		908.	33,474.
o	73,212.		2,028.	71,184.

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			<4,477.>
b			<4,239.>
c			4,801.
d			<10,302.>
e			7,860.
f			53.
g			14,646.
h			31,140.
i			6,594.
j			5,565.
k			9,174.
l			0.
m			2,872.
n			33,474.
o			71,184.

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
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

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	720 EXXON MOBIL CORP		06/01/82	08/21/12
b	600,000 FED HOME LN BK BOND		06/26/08	02/20/13
c	500,000 FED HOME LN MTG BOND		02/12/10	09/21/12
d	300,000 FED NATL MTG ASSN		07/15/08	08/02/12
e	760 FEDEX CORPORATION		12/28/10	12/12/12
f	253 FEDEX CORPORATION		06/26/12	12/12/12
g	1,804 FMC TECHNOLOGIES INC		11/24/10	06/22/12
h	3,422.07 FNMA POOL		11/05/12	12/26/12
i	2,839.53 FNMA POOL		11/05/12	01/25/13
j	3,387.43 FNMA POOL		11/05/12	02/25/13
k	2,882.33 FNMA POOL		11/05/12	03/25/13
l	250,000 GENERAL ELEC CAP COR BOND		06/26/08	02/22/13
m	325 GILEAD SCIENCES INC		12/08/11	09/28/12
n	2,470 HEWLETT PACKARD CO		02/11/08	09/04/12
o	1,028 ISHARES CORE S&P MIDCAP ETF		01/21/09	11/05/12

(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	63,927.		1,626.	62,301.
b	622,890.		614,214.	8,676.
c	500,000.		509,528.	<9,528.>
d	300,000.		312,195.	<12,195.>
e	67,723.		70,577.	<2,854.>
f	22,544.		22,177.	367.
g	74,541.		75,950.	<1,409.>
h	3,422.		3,702.	<280.>
i	2,840.		3,072.	<232.>
j	3,387.		3,665.	<278.>
k	2,882.		3,118.	<236.>
l	257,275.		252,250.	5,025.
m	21,960.		12,666.	9,294.
n	41,649.		89,345.	<47,696.>
o	100,231.		51,345.	48,886.

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			62,301.
b			8,676.
c			<9,528.>
d			<12,195.>
e			<2,854.>
f			367.
g			<1,409.>
h			<280.>
i			<232.>
j			<278.>
k			<236.>
l			5,025.
m			9,294.
n			<47,696.>
o			48,886.

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 }

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

2

3

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	480 KRAFT FOODS GROUP INC		09/10/12	10/15/12
b	250,000 LOWE'S COMPANIES INC BOND		06/27/08	09/17/12
c	4,650 MARVELL TECHNOLOGY GROUP		03/28/12	09/06/12
d	67.339 MORGAN CREEK ABSLT RTRN FD LTD		03/27/08	05/14/12
e	32.274 MORGAN CREEK ABSLT RTRN FD LTD		03/27/08	08/17/12
f	38.950 MORGAN CREEK ABSLT RTRN FD LTD		03/27/08	11/07/12
g	51.731 MORGAN CREEK ABSLT RTRN FD LTD		03/27/08	02/22/13
h	650 NATIONAL OILWELL INC COM		12/09/11	06/29/12
i	300,000 NOKIA CORP		10/09/09	05/01/12
j	1,285 NOVARTIS AG-ADR		11/24/10	02/01/13
k	1,645 ORACLE CORPORATION		07/14/10	11/26/12
l	300,000 PEPSICO INC BOND		02/07/08	02/15/13
m	300,000 PITNEY BOWES INC BOND		07/15/08	07/19/12
n	818 POTASH CORP SASK		11/24/10	06/22/12
o	2,257 POTASH CORP SASK		11/24/10	10/15/12

	(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	22,214.		20,397.	1,817.
b	250,000.		258,000.	<8,000.>
c	46,981.		72,862.	<25,881.>
d	46,172.		67,338.	<21,166.>
e	20,724.		32,274.	<11,550.>
f	27,559.		38,950.	<11,391.>
g	33,218.		51,731.	<18,513.>
h	39,325.		47,635.	<8,310.>
i	259,872.		314,709.	<54,837.>
j	87,056.		70,760.	16,296.
k	49,480.		39,399.	10,081.
l	300,000.		313,905.	<13,905.>
m	314,676.		296,322.	18,354.
n	33,376.		39,216.	<5,840.>
o	93,610.		108,203.	<14,593.>

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			1,817.
b			<8,000.>
c			<25,881.>
d			<21,166.>
e			<11,550.>
f			<11,391.>
g			<18,513.>
h			<8,310.>
i			<54,837.>
j			16,296.
k			10,081.
l			<13,905.>
m			18,354.
n			<5,840.>
o			<14,593.>

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 }

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

2

3

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	400 RACKSPACE HOSTING INC		11/24/10	09/20/12
b	570 RACKSPACE HOSTING INC		11/24/10	01/09/13
c	200,000 STAPLES INC		04/26/12	01/22/13
d	1,555 STARWOOD HOTELS & RESORTS		02/16/11	11/16/12
e	1,095.35 THE ENDOWMENT TEI FUND LP		11/30/09	02/05/13
f	907 TJX COS INC NEW		07/18/11	04/16/12
g	555 TRACTOR SUPPLY CO		11/24/10	02/08/13
h	1,750 UNIVERSAL HEALTH SVCS INC CL B		11/02/11	11/26/12
i	50,000 US TREASURY NOTE		06/26/08	09/25/12
j	3,359 VODAFONE GROUP PLC		02/27/09	01/14/13
k	763 WATERS CORP		06/24/11	05/23/12
l	ALPHAMETRIX MANAGED FUTURES III LLC K-1			
m	ALPHAMETRIX MANAGED FUTURES III LLC K-1			
n	ARDEN SAGE MSTI FUND LLC K-1			
o	CAPITAL GAINS DIVIDENDS			

(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 26,195.		11,400.	14,795.
b 43,252.		16,245.	27,007.
c 217,702.		227,096.	<9,394.>
d 81,259.		97,341.	<16,082.>
e 61,321.		54,047.	7,274.
f 35,880.		24,972.	10,908.
g 57,543.		23,573.	33,970.
h 74,803.		73,205.	1,598.
i 52,292.		51,893.	399.
j 88,412.		60,596.	27,816.
k 61,604.		69,929.	<8,325.>
l			<11,260.>
m			<39.>
n			5,624.
o 3,913.			3,913.

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			14,795.
b			27,007.
c			<9,394.>
d			<16,082.>
e			7,274.
f			10,908.
g			33,970.
h			1,598.
i			399.
j			27,816.
k			<8,325.>
l			<11,260.>
m			<39.>
n			5,624.
o			3,913.

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	471,504.
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

**WILLIAM A. BADGER FOUNDATION
C/O WELLS FARGO BANK, NA TTEE**

74-6087935

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
ST. PAUL'S EPISCOPAL CHURCH 515 COLUMBUS AVE WACO, TX 76701			COMMUNITY AWARENESS & INVOLVEMENT	126,302.
TOWN OF EDINBURG, INDIANA 107 S HOLLAND ST EDINBURGH, IN 46124			COMMUNITY AWARENESS & INVOLVEMENT	126,302.
Total from continuation sheets				252,604.

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES		STATEMENT	1
SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT	
ALPHAMETRIX MANAGED FUTURES III LLC	37.	0.	37.	
ARDEN SAGE MSTI FUND LLC K-1	27,987.	0.	27,987.	
PARTNERS GROUP PET LLC K-1	39.	0.	39.	
THE ENDOWMENT TEI FUND LP K-1	60,883.	0.	60,883.	
WELLS FARGO DIVIDENDS	792,569.	0.	792,569.	
WELLS FARGO INTEREST	442,824.	0.	442,824.	
TOTAL TO FM 990-PF, PART I, LN 4	1,324,339.	0.	1,324,339.	

FORM 990-PF	OTHER INCOME		STATEMENT	2
DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	
REIT FEE REBATES	57,767.	57,767.		
MISCELLANEOUS	23.	23.		
MERGER CONSIDERATION	48,546.	48,546.		
ALPHAMEXTRIX K-1 ORD INC/LOSS	<40,927.>	<40,927.>		
ALPHAMEXTRIX K-1 SEC 1256				
CONTRACT/STRADDLES	<44,754.>	<44,754.>		
ALPHAMEXTRIX K-1 SEC 988 GAIN/LOSS	29,052.	29,052.		
PARTNERS GROUP PET LLC K-1 OTHER INC	69,597.	69,597.		
THE ENDOWMENT TEI FUND LP K-1	30.	30.		
TOTAL TO FORM 990-PF, PART I, LINE 11	119,334.	119,334.		

FORM 990-PF	ACCOUNTING FEES		STATEMENT	3
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL & ACCOUNTING FEES	5,975.	5,975.		0.
TO FORM 990-PF, PG 1, LN 16B	5,975.	5,975.		0.

FORM 990-PF	TAXES	STATEMENT	4
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN INCOME TAXES	6,709.	6,709.		0.
TO FORM 990-PF, PG 1, LN 18	6,709.	6,709.		0.

FORM 990-PF	OTHER EXPENSES	STATEMENT	5
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MISCELLANEOUS EXPENSE	33.	33.		0.
THE ENDOWMENT TEI FUND LP				
K-1 PORTFOLIO DEDUCTIONS	0.	12,717.		0.
ARDEN SAGE MSTI FUND LLC K-1				
PORTFOLIO DEDUCTIONS	0.	927.		0.
PARTNERS GROUP PET LLC K-1				
PORTFOLIO DEDUCTIONS	0.	21,859.		0.
TO FORM 990-PF, PG 1, LN 23	33.	35,536.		0.

FORM 990-PF	OTHER INCREASES IN NET ASSETS OR FUND BALANCES	STATEMENT	6
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DESCRIPTION	AMOUNT
UNREALIZED GAIN - ARDEN SAGE MSTI FUND LLC K-1	46,125.
UNREALIZED GAIN - PARTNERS GROUP PET LLC K-1	207,136.
TOTAL TO FORM 990-PF, PART III, LINE 3	253,261.

FORM 990-PF	OTHER DECREASES IN NET ASSETS OR FUND BALANCES	STATEMENT	7
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DESCRIPTION	AMOUNT
CURRENT YEAR TAX EXPENSE	17,226.
UNREALIZED LOSS - THE ENDOWMENT TEI FUND LP K-1	33,194.
UNREALIZED LOSS - GRAHAM ALTERNATIVE INVESTMENT FUND II K-1	77,532.
TIMING ADJUSTMENTS-INVESTMENTS ON CALENDAR YR, FOUNDATION ON FISCAL YR END	387,496.
TOTAL TO FORM 990-PF, PART III, LINE 5	515,448.

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	8
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DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
U S GOVERNMENT OBLIGATIONS	X		2,796,987.	2,909,421.
MUNICIPAL BONDS		X	250,000.	250,609.
TOTAL U.S. GOVERNMENT OBLIGATIONS			2,796,987.	2,909,421.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS			250,000.	250,609.
TOTAL TO FORM 990-PF, PART II, LINE 10A			3,046,987.	3,160,030.

FORM 990-PF	CORPORATE STOCK	STATEMENT	9
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCKS	37,965,855.	43,277,976.
TOTAL TO FORM 990-PF, PART II, LINE 10B	37,965,855.	43,277,976.

FORM 990-PF	CORPORATE BONDS	STATEMENT	10
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS	6,180,983.	6,349,610.
TOTAL TO FORM 990-PF, PART II, LINE 10C	6,180,983.	6,349,610.

FORM 990-PF	OTHER ASSETS	STATEMENT	11
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DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
FEDERAL INCOME TAX REFUND RECEIVABLE	44,526.	0.	0.
TO FORM 990-PF, PART II, LINE 15	44,526.	0.	0.

FORM 990-PF	INTEREST AND PENALTIES	STATEMENT	12
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TAX DUE FROM FORM 990-PF, PART VI	6,386.
LATE PAYMENT INTEREST	97.
LATE PAYMENT PENALTY	192.
TOTAL AMOUNT DUE	6,675.

FORM 990-PF	LATE PAYMENT PENALTY	STATEMENT	13
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DESCRIPTION	DATE	AMOUNT	BALANCE	MONTHS	PENALTY
TAX DUE	08/15/13	6,386.	6,386.	6	192.
DATE FILED	02/15/14		6,386.		
TOTAL LATE PAYMENT PENALTY					192.

FORM 990-PF		LATE PAYMENT INTEREST				STATEMENT 14	
DESCRIPTION	DATE	AMOUNT	BALANCE	RATE	DAYS	INTEREST	
TAX DUE	08/15/13	6,386.	6,386.	.0300	184	97.	
DATE FILED	02/15/14		6,483.				
TOTAL LATE PAYMENT INTEREST						97.	

FORM 990-PF		SUMMARY OF DIRECT CHARITABLE ACTIVITIES				STATEMENT 15	
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ACTIVITY ONE

TO PROMOTE EDUCATION AND COMMUNITY AWARENESS AND INVOLVEMENT. CONTRIBUTIONS ARE MADE TO SEVEN PRE-SELECTED ORGANIZATIONS. SEE PART XV FOR LIST OF ORGANIZATIONS AND AMOUNTS CONTRIBUTED.

EXPENSES

TO FORM 990-PF, PART IX-A, LINE 1

2,526,044.