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## Return of Private Foundation

or Section 4947(a)(1) Trust Treated as Private Foundation

OMB No 1545-0052

Department of the Treasury  
Internal Revenue Service

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Information about Form 990-PF and its separate instructions is at [www.irs.gov/form990pf](http://www.irs.gov/form990pf)

2015

Open to Public Inspection

For calendar year 2015 or tax year beginning

, and ending

Name of foundation <b>THE CARTER FAMILY FOUNDATION</b>		A Employer identification number <b>20-3311749</b>
Number and street (or P.O. box number if mail is not delivered to street address) <b>130 SPUR CIRCLE</b>	Room/suite	B Telephone number <b>763-390-4277</b>
City or town, state or province, country, and ZIP or foreign postal code <b>WAYZATA, MN 55391-9577</b>		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) \$ <b>2,007,658.</b>	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received		698,500.		N/A	
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments		564.	553.		STATEMENT 1
4 Dividends and interest from securities		26,755.	26,407.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		19,269.			
b Gross sales price for all assets on line 6a		156,007.			
7 Capital gain net income (from Part IV, line 2)			19,269.		
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		22.	22.		STATEMENT 3
12 Total. Add lines 1 through 11		745,110.	46,251.		
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 STMT 4		3,743.	1,872.		1,871.
c Other professional fees STMT 5		4,622.	4,622.		0.
17 Interest					
18 Taxes STMT 6		1,308.	308.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 7		25.	0.		25.
24 Total operating and administrative expenses. Add lines 13 through 23		9,698.	6,802.		1,896.
25 Contributions, gifts, grants paid		118,500.			118,500.
26 Total expenses and disbursements. Add lines 24 and 25		128,198.	6,802.		120,396.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		616,912.			
b Net investment income (if negative, enter -0-)			39,449.		
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
<b>Assets</b>	1 Cash - non-interest-bearing	55,816.	131,070.	131,070.
	2 Savings and temporary cash investments	79,403.	119,360.	119,360.
	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			
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment: basis ▶			
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other <b>STMT 9</b>	1,184,902.	1,673,828.	1,757,228.	
14 Land, buildings, and equipment: basis ▶				
Less: accumulated depreciation ▶				
15 Other assets (describe ▶)				
16 <b>Total assets</b> (to be completed by all filers - see the instructions. Also, see page 1, item I)	1,320,121.	1,924,258.	2,007,658.	
<b>Liabilities</b>	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 <b>Total liabilities</b> (add lines 17 through 22)	0.	0.	
<b>Net Assets or Fund Balances</b>	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	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	1,320,121.	1,924,258.	
	30 <b>Total net assets or fund balances</b>	1,320,121.	1,924,258.	
31 <b>Total liabilities and net assets/fund balances</b>	1,320,121.	1,924,258.		

**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	1,320,121.
2 Enter amount from Part I, line 27a	2	616,912.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	1,937,033.
5 Decreases not included in line 2 (itemize) ▶ <b>SEE STATEMENT 8</b>	5	12,775.
6 <b>Total net assets or fund balances at end of year</b> (line 4 minus line 5) - Part II, column (b), line 30	6	1,924,258.

**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 NW MUTUAL - SEE ATTACHED			
b NW MUTUAL - SEE ATTACHED			
c CHARLES SCHWAB - SEE ATTACHED			
d CHARLES SCHWAB - SEE ATTACHED			
e 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 1,456.		1,871.	-415.
b 35,900.		40,020.	-4,120.
c 15,348.		15,272.	76.
d 96,110.		79,575.	16,535.
e 7,193.			7,193.

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			-415.
b			-4,120.
c			76.
d			16,535.
e			7,193.

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	19,269.
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))
2014	93,725.	1,368,954.	.068465
2013	88,184.	1,257,140.	.070147
2012	125,387.	818,342.	.153221
2011	50,787.	553,862.	.091696
2010	19,338.	282,951.	.068344

2 Total of line 1, column (d)	2	.451873
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	.090375
4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	1,772,384.
5 Multiply line 4 by line 3	5	160,179.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	394.
7 Add lines 5 and 6	7	160,573.
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	120,396.

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	789.
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	789.
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	789.
6 Credits/Payments:			
a 2015 estimated tax payments and 2014 overpayment credited to 2015	6a	256.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	750.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	1,006.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	10.	
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	207.	
11 Enter the amount of line 10 to be: Credited to 2016 estimated tax <input type="checkbox"/> 207. Refunded <input type="checkbox"/> 0.	11	0.	

**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 the 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. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? 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) <input type="checkbox"/> MN		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by 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 2015 or the taxable year beginning in 2015 (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

**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?

	Yes	No
11		X
12		X
13	X	

Website address **N/A**14 The books are in care of **DIANA CLARKE-CARTER** Telephone no. **763-390-4277**Located at **130 SPUR CIRCLE, WAYZATA, MN** ZIP+4 **55391-9577**

- 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 2015, 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?

	Yes	No
16		X

See the instructions for exceptions and filing requirements for FinCEN Form 114. 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.)

☐ Yes ☒ No☐ Yes ☒ No☐ Yes ☒ No☐ Yes ☒ No☐ Yes ☒ No☐ Yes ☒ No

- b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?

**N/A**

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 2015?

- 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 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015?

☐ Yes ☒ No

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.)

**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?

☐ Yes ☒ No

- b If "Yes," did it have excess business holdings in 2015 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 2015.)

**N/A**

- 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 2015?

	Yes	No
1a		
1b		
1c		X
2a		
2b		
3a		
3b		
4a		X
4b		X

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

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

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions)

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

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?

6b

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
DIANA CLARKE-CARTER 130 SPUR CIRCLE WAYZATA, MN 55391	DIRECTOR/CHIEF EXECUTIVE O 0.25	0.	0.	0.
ROBERT LOWELL CARTER 130 SPUR CIRCLE WAYZATA, MN 55391	DIRECTOR/OFFICER 0.25	0.	0.	0.
ALISON CLARKE CARTER BROWN 130 SPUR CIRCLE WAYZATA, MN 55391	DIRECTOR/EXECUTIVE DIRECTO 0.25	0.	0.	0.
JASON ROBERT CARTER 130 SPUR CIRCLE WAYZATA, MN 55391	DIRECTOR/OFFICER 0.25	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

**Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** *(continued)*

(continued)

[illegible]

0

## Summary of Direct Charitable Activities

## Expenses

1	N/A	
2		
3		
4		

## Summary of Program-Related Investments

Amount

1	N/A	
2		
	All other program-related investments. See instructions.	
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	1,450,226.
b Average of monthly cash balances	1b	349,149.
c Fair market value of all other assets	1c	
d Total (add lines 1a, b, and c)	1d	1,799,375.
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	1,799,375.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	26,991.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,772,384.
6 Minimum investment return. Enter 5% of line 5	6	88,619.

**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	88,619.
2a Tax on investment income for 2015 from Part VI, line 5	2a	789.
b Income tax for 2015. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	789.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	87,830.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	87,830.
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	87,830.

**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	120,396.
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	120,396.
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	0.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	120,396.

**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 2014	(c) 2014	(d) 2015
1 Distributable amount for 2015 from Part XI, line 7				87,830.
2 Undistributed income, if any, as of the end of 2015				
a Enter amount for 2014 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2015:				
a From 2010				
b From 2011	2,179.			
c From 2012	125,514.			
d From 2013	25,697.			
e From 2014	26,013.			
f Total of lines 3a through e	179,403.			
4 Qualifying distributions for 2015 from Part XII, line 4: ► \$ 120,396.				
a Applied to 2014, 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 2015 distributable amount				87,830.
e Remaining amount distributed out of corpus	32,566.			
5 Excess distributions carryover applied to 2015 (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	211,969.			
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 2014. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2015. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2016				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)	0.			
8 Excess distributions carryover from 2010 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a	211,969.			
10 Analysis of line 9:				
a Excess from 2011	2,179.			
b Excess from 2012	125,514.			
c Excess from 2013	25,697.			
d Excess from 2014	26,013.			
e Excess from 2015	32,566.			

## 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 2015, 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)

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	Tax year	Prior 3 years			(e) Total
		(a) 2015	(b) 2014	(c) 2013	(d) 2012	
	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).)

SEE STATEMENT 10

- 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 address of the person to whom applications should be addressed:

SEE STATEMENT 11

- 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)

<b>3 Grants and Contributions Paid During the Year or Approved for Future Payment</b>				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<b>a Paid during the year</b>				
FIRST STEP INITIATIVE PO BOX 270532 GOLDEN VALLEY, MN 55427	N/A	PUBLIC CHARITY	GENERAL	10,000.
NEW COVENANT FOUNDATION PO BOX 218 COEUR D'ALENE, IN 83816	N/A	PUBLIC CHARITY	GENERAL	20,000.
PEACE LUTHERAN CHURCH 20 NORTHDAL E BOULEVARD NW COON RAPIDS, MN 55448	N/A	PUBLIC CHARITY	GENERAL	10,000.
RESTART, INC. 4000 OLSON MEMORIAL HIGHWAY, STE 610 GOLDEN VALLEY, MN 55422	N/A	PUBLIC CHARITY	GENERAL	1,500.
UNIVERSITY OF MINNESOTA FOUNDATION 200 OAK STREET S.E., SUITE 500 MINNEAPOLIS, MN 55455-2010	N/A	PUBLIC CHARITY	UMD ERIC K CLARKE, JR. MEMORIAL SCHOLARSHIP	10,000.
<b>Total</b>	<b>SEE CONTINUATION SHEET(S)</b>			<b>118,500.</b>
<b>b Approved for future payment</b>				
NONE				
<b>Total</b>				<b>0.</b>

### Analysis of Income-Producing Activities

13                      46,610.

### Relationship of Activities to the Accomplishment of Exempt Purposes

N/A
-----

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

- |   |  | Yes | No |
|---|--|-----|----|
| 1 | Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?  |     |    |
| a | Transfers from the reporting foundation to a noncharitable exempt organization of:   |     |    |
|   | (1) Cash   |     | X  |
|   | (2) Other assets   |     | X  |
| b | Other transactions:  |     |    |
|   | (1) Sales of assets to a noncharitable exempt organization   |     | X  |
|   | (2) Purchases of assets from a noncharitable exempt organization   |     | X  |
|   | (3) Rental of facilities, equipment, or other assets   |     | X  |
|   | (4) Reimbursement arrangements   |     | X  |
|   | (5) Loans or loan guarantees   |     | X  |
|   | (6) Performance of services or membership or fundraising solicitations   |     | X  |
| c | Sharing of facilities, equipment, mailing lists, other assets, or paid employees   |     | X  |
| d | If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received. |     |    |

[illegible]

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

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

**Sign  
Here**

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

Signature of officer or trustee

Date \_\_\_\_\_

**DIRECTOR/CEO**

Title

May the IRS discuss this return with the preparer shown below (see instr) ?

☒ Yes ☐ No**Paid  
Preparer  
Use Only**

Print/Type preparer's name  
**ELLYN W. MARELL,**  
**CPA**

Preparer's signature  
ELLYN W. MARELL,

Date	11/14/16
------	----------

Check ☐ if  
self-employed

PTIN	P00649275
------	-----------

Firm's name ► WIPFLI LLP

Firm's EIN ▶ 39-0758449

Firm's address ▶ 7601 FRANCE AVENUE SOUTH, SUITE 400  
MINNEAPOLIS, MN 55435

Phone no. 952.548.3400

20-3311749

**3 Grants and Contributions Paid During the Year (Continuation)****Total from continuation sheets**

**Schedule B**

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury  
Internal Revenue Service**Schedule of Contributors**

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

▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

**2015**

Name of the organization

Employer identification number

**THE CARTER FAMILY FOUNDATION****20-3311749**

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)( ) (enter number) organization☐ 4947(a)(1) nonexempt charitable trust not treated as a private foundation☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions**General Rule**

- ☒
- For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions

**Special Rules**

- ☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ \_\_\_\_\_

**Caution.** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2015)



Name of organization

Employer identification number

THE CARTER FAMILY FOUNDATION

20-3311749

**Part I****Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	SUMMIT MORTGAGE CORPORATION 1335 10TH AVE. N, STE 100 PLYMOUTH, MN 55441	\$ 698,500.	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)

Employer identification number

20-3311749

## Part 11

[illegible]

Name of organization

Employer identification number

THE CARTER FAMILY FOUNDATION

20-3311749

**Part III**

Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year (Enter this info once) ▶ \$ \_\_\_\_\_

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

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

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

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
CHARLES SCHWAB	564.	553.	
TOTAL TO PART I, LINE 3	564.	553.	

## FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
CHARLES SCHWAB	16,180.	0.	16,180.	15,832.	
CHARLES SCHWAB	13.	13.	0.	0.	
NORTHWESTERN MUTUAL	7,180.	7,180.	0.	0.	
NORTHWESTERN MUTUAL	10,575.	0.	10,575.	10,575.	
TO PART I, LINE 4	33,948.	7,193.	26,755.	26,407.	

## FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
OTHER INCOME	22.	22.	
TOTAL TO FORM 990-PF, PART I, LINE 11	22.	22.	

## FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX RETURN PREPARATION	3,743.	1,872.		1,871.
TO FORM 990-PF, PG 1, LN 16B	3,743.	1,872.		1,871.

## FORM 990-PF

## OTHER PROFESSIONAL FEES

## STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
NW MUTUAL INVESTMENT FEES	4,622.	4,622.		0.
TO FORM 990-PF, PG 1, LN 16C	4,622.	4,622.		0.

## FORM 990-PF

## TAXES

## STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
2014 EXCISE TAXES PAID IN 2015	1,000.	0.		0.
FOREIGN TAX PAID	308.	308.		0.
TO FORM 990-PF, PG 1, LN 18	1,308.	308.		0.

## FORM 990-PF

## OTHER EXPENSES

## STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MN ANNUAL REGISTRATION	25.	0.		25.
TO FORM 990-PF, PG 1, LN 23	25.	0.		25.

## FORM 990-PF

## OTHER DECREASES IN NET ASSETS OR FUND BALANCES

## STATEMENT 8

DESCRIPTION	AMOUNT
INCOME RECOGNITION TIMING DIFFERENCES	9,797.
ACCRUED CURRENT YEAR INCOME	2,978.
TOTAL TO FORM 990-PF, PART III, LINE 5	12,775.

FORM 990-PF

OTHER INVESTMENTS

STATEMENT 9

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
NORTHWESTERN MUTUAL -SEE ATTACHED SCHEDULE	COST	437,667.	450,565.
CHARLES SCHWAB - SEE ATTACHED SCHEDULE	COST	1,236,161.	1,306,663.
TOTAL TO FORM 990-PF, PART II, LINE 13		1,673,828.	1,757,228.

FORM 990-PF

PART XV - LINE 1A  
LIST OF FOUNDATION MANAGERS

STATEMENT 10

NAME OF MANAGER

DIANA CLARKE-CARTER  
ROBERT LOWELL CARTER

FORM 990-PF

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

STATEMENT 11

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

EXECUTIVE DIRECTOR, CARTER FAMILY FOUNDATION  
130 SPUR CIRCLE  
WAYZATA, MN 55391

TELEPHONE NUMBER

763-390-4277

FORM AND CONTENT OF APPLICATIONS

APPLICANTS SHOULD REVIEW MISSION STATEMENT AND SUBMIT LETTER OF INTEREST INDICATING THE FOCUS OF THE PROGRAM, HOW THE FOCUS IS CONSISTENT WITH THE FOUNDATIONS GOALS AND THE AMOUNT AND SPECIFIC USE OF THE REQUESTED GRANT. THE FOUNDATION WILL NOTIFY THE APPLICANT WITHIN 3 WEEKS IF THE FOUNDATION IS WILLING TO REVIEW A FULL PROPOSAL.

ANY SUBMISSION DEADLINES

NONE

RESTRICTIONS AND LIMITATIONS ON AWARDS

MUST BE CONSISTENT WITH FOUNDATION MISSION STATEMENT.

# **PORTFOLIO APPRAISAL**

*Carter Family Foundation*

*Balanced Portfolio #733a*

*Schwab 2215-3100*

*December 31, 2015*

Quantity	Security	Security Symbol	Date	Unit Cost	Total Cost	Price	Pct Assets	Market Value
<b>Money Market, Cash, and Accrued Dividends</b>								
	Dividend Accruals	divacc			2,062.50		0.14	2,062.50
	Schwab AMT Tax-Free	swfxx			113,977.67		8.01	113,977.67
					116,040.17		8.16	116,040.17
<b>Taxable Municipal Bonds</b>								
25,000	Oregon State GO	68608uc38	12-08-15	100.72	25,178.75	100.69	1.77	25,173.25
	Oregon Univ Sys 2013O M-W Call							
35,000	1 555% Due 08-01-17 Richland WA REV Elec 2013A	764265ml5	12-09-15	101.89	35,660.75	99.10	2.44	34,684.30
35,000	2 500% Due 11-01-20 Fargo ND Dev 2015E	30747nb0	12-08-15	100.04	35,015.00	99.77	2.45	34,918.80
35,000	2 100% Due 12-01-21 Wichita KS 2014-809A	967244z64	12-11-15	105.11	36,787.75	104.91	2.58	36,717.80
35,000	3 200% Due 06-01-22 Houston TX GO Ltd 2011B M-W Call	442331v08	12-09-15	105.12	36,793.35	104.35	2.57	36,523.55
	3 393% Due 03-01-23							



# PORTFOLIO APPRAISAL

Carter Family Foundation

Balanced Portfolio #733a

Schwab 2215-3100

December 31, 2015

Quantity	Security	Security Symbol	Date	Unit Cost	Total Cost	Price	Pct Assets	Market Value
35,000	Wellesley MA GO LD Acquisition LTD 2015	949493us7	12-11-15	103.06	36,071.30	102.09	2.51	35,730.10
35,000	3.000% Due 06-01-24 Washington Cty OR GO Ltd Sch Dist 48J Beaverton Pensn 2015 3.160% Due 06-30-25 Accrued Interest	938429n37	12-14-15	102.19	35,767.50	98.63	2.43	34,518.75
							0.06	916.15
					241,274.40		16.81	239,182.70
<b>Common Stocks</b>								
380	Accenture PLC	acn	11-25-13	78.40	29,792.88	104.50	2.79	39,710.00
425	Automatic Data Processing	adp	12-20-13	72.68	30,887.76	84.72	2.53	36,006.00
200	CR Bard Inc.	bcr	12-13-13	133.96	26,792.75	189.44	2.66	37,888.00
345	CVS Health Corp	cvs	11-18-13	65.57	22,620.90	97.77	2.37	33,730.65
430	Danaher Corp	dhr	11-06-13	74.80	32,164.97	92.88	2.81	39,938.40
405	Ecolab Inc	ecl	12-17-13	106.06	42,954.22	114.38	3.26	46,323.90
835	Expeditors	expd	11-18-13	43.07	35,959.49	45.10	2.65	37,658.50
1,180	Fastenal Co	fast	07-21-15	40.95	48,323.75	40.82	3.39	48,167.60
300	Fedex Corp	fdx	11-25-13	142.13	42,639.10	148.99	3.14	44,697.00
1,155	Franklin Resources Inc	ben	11-06-13	47.89	55,316.98	36.82	2.99	42,527.10
340	Illinois Tool Works	itw	12-17-13	80.16	27,253.95	92.68	2.21	31,511.20
465	Johnson & Johnson	jnj	12-13-13	95.17	44,255.41	102.72	3.36	47,764.80

# **PORTFOLIO APPRAISAL**

*Carter Family Foundation*

*Balanced Portfolio #733a*

*Schwab 2215-3100*

*December 31, 2015*

Quantity	Security	Security Symbol	Date	Unit Cost	Total Cost	Price	Pct Assets	Market Value
1,135	Johnson Controls Inc - OLD	478366107	11-06-13	44 45	50,451 63	39.49	3 15	44,821 15
630	Medtronic PLC	mdt	01-27-15	76 75	48,355 50	76 92	3 41	48,459 60
700	Microsoft Corp	msft	11-06-13	37 72	26,402 59	55 48	2 73	38,836 00
385	Novartis AG ADR	nvs	12-20-13	80 54	31,008 66	86 04	2 33	33,125 40
1,200	Oracle Corp	orcl	11-06-13	36 64	43,962 93	36 53	3 08	43,836 00
665	Procter & Gamble Co	pg	12-02-13	78 17	51,980 54	79 41	3 71	52,807 65
835	Qualcomm, Inc.	qcom	11-06-13	63 52	53,042 70	49 99	2 93	41,737 48
190	Sherwin-Williams Co	shw	12-20-13	198 96	37,802 58	259 60	3 47	49,324 00
360	Stryker Corp	syk	11-18-13	74 43	26,794 39	92 94	2 35	33,458 40
370	ThermoFisher Scientific Inc	tmo	11-27-13	107 30	39,701 39	141 85	3 69	52,484 50
635	Visa Inc	v	07-15-14	59 54	37,805 47	77 55	3 46	49,244 25
210	W W Grainger Inc	gww	02-26-15	234 89	49,325 95	202 59	2 99	42,543 90
830	Wal-Mart Stores Inc	wmt	11-06-13	71 43	59,289 85	61 30	3 58	50,879 00
					994,886 34		75 03	1,067,480 48

## **TOTAL PORTFOLIO**

**1,352,200.91**

**100.00**

**1,422,703.35**



Northwestern Mutual

Northwestern Mutual Investment Services, LLC  
Northwestern Mutual Wealth Management Company  
633 E. Wisconsin Avenue  
Madison, WI 53703-4707  
1-800-684-7737

# Account Statement

Statement Period: 12/01/2015 - 12/31/2015

## Your Account Information (continued)

### Tax Lot Default Disposition Method

Default Method for Mutual Funds: AVERAGE COST (USING FIRST IN FIRST OUT)  
Default Method for Stocks in a Dividend Reinvestment Plan: FIRST IN FIRST OUT  
Default Method for all Other Securities: FIRST IN FIRST OUT

### Bond Amortization Elections:

Amortize premium on taxable bonds based on Constant Yield Method: Yes  
Accrue market discount method for all other bond types: Constant Yield Method  
Include market discount in income annually: No

### Electronic Delivery

You have not selected any account communications for electronic delivery. To register and turn off paper communications, log in to your account or contact your Financial Representative for more information.

## Portfolio Holdings

Opening Date	Quantity	Account Number	Activity Ending	Opening Balance	Closing Balance	Accrued Income	Income This Year	30-Day Yield	Current Yield
<b>Cash, Money Funds, and Bank Deposits 1.00% of Portfolio</b>									
<b>Money Market</b>									
GENERAL MNY MKT FUND CL B	3,319.790	0000637754	12/31/15	3,828.89	3,319.79	0.00	0.58	0.01%	0.01%
12/01/15				\$3,828.89	\$3,319.79	\$0.00	\$0.58		
<b>Total Money Market</b>				\$3,828.89	\$3,319.79	\$0.00	\$0.58		
<b>Total Cash, Money Funds, and Bank Deposits</b>									

Date Acquired	Quantity	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Mutual Funds: 99.00% of Portfolio</b>								
<b>AMERICAN CENTURY DIVERSIFIED BOND INVESTOR CLASS</b>								
Security Identifier: ADFIX CUSIP: 024932402								
Open End Fund								
Dividend Option: Reinvest; Capital Gains Option: Reinvest								
Average	1,609.066	10.7110	17,234.78	10.6400	17,120.46	-114.32	377.12	2.20%
<b>Total Noncovered</b>	<b>1,609.066</b>		<b>17,234.78</b>		<b>17,120.46</b>	<b>-114.32</b>	<b>377.12</b>	
Average	626.394	10.9110	6,834.72	10.6400	6,664.83	-169.89	146.81	2.20%
<b>Total Covered</b>	<b>626.394</b>		<b>6,834.72</b>		<b>6,664.83</b>	<b>-169.89</b>	<b>146.81</b>	
<b>Total</b>	<b>2,235.460</b>		<b>\$24,069.50</b>		<b>\$23,785.29</b>	<b>-\$284.21</b>	<b>\$523.93</b>	

# Portfolio Holdings (continued)

Date Acquired	Quantity	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Mutual Funds (continued)</b>								
<b>HARTFORD WORLD BOND FUND CLASS I</b>								
Open End Fund			Security Identifier: HWDIX CUSIP: 41664M235					
Dividend Option: Reinvest, Capital Gains Option: Reinvest								
Average	1,861.533	10.7420	19,996.90	10.0900	18,782.87	-1,214.03	199.59	1.06%
<b>INTERNATIONAL GROWTH AND INCOME FUND CLASS F-2</b>								
Open End Fund			Security Identifier: IGFFX CUSIP: 45956T501					
Dividend Option: Reinvest, Capital Gains Option: Reinvest								
Average	285.314	34.9250	9,964.62	28.3500	8,088.65	-1,875.97	281.77	3.48%
<b>JOHN HANCOCK DISCIPLINED VALUE MID CAP FUND CLASS I</b>								
Open End Fund			Security Identifier: JWMIX CUSIP: 47803W406					
Dividend Option: Reinvest, Capital Gains Option: Reinvest								
Average	785.649	16.9340	13,303.99	19.1500	15,045.18	1,741.19	82.86	0.55%
<b>MFS VALUE FUND CLASS I</b>								
Open End Fund			Security Identifier: MEIIX CUSIP: 552983694					
Dividend Option: Reinvest, Capital Gains Option: Reinvest								
Average	851.403	23.5060	20,013.29	32.9600	28,062.25	8,048.96	622.52	2.21%
Total Noncovered	851.403		20,013.29		28,062.25	8,048.96	622.52	
Average	172.475	31.7060	5,468.53	32.9600	5,684.77	216.24	126.11	2.21%
Total Covered	172.475		5,468.53		5,684.77	216.24	126.11	
Total	1,023.878		\$25,481.82		\$33,747.02	\$8,265.20	\$748.63	
<b>METROPOLITAN WEST TOTAL RETURN BOND FUND CLASS I</b>								
Open End Fund			Security Identifier: MWITX CUSIP: 592905509					
Dividend Option: Reinvest, Capital Gains Option: Reinvest								
Average	1,800.132	10.9160	19,650.91	10.6200	19,117.40	-533.51	349.62	1.82%
<b>NEW WORLD FUND CLASS F-2</b>								
Open End Fund			Security Identifier: NFFFX CUSIP: 649280823					
Dividend Option: Reinvest, Capital Gains Option: Reinvest								
Average	411.377	57.9240	23,828.60	49.8800	20,519.48	-3,309.12	193.71	0.94%
<b>NORTHERN SMALL CAP VALUE FUND</b>								
Open End Fund			Security Identifier: NOSGX CUSIP: 665162400					
Dividend Option: Reinvest, Capital Gains Option: Reinvest								
Average	383.011	17.4520	6,684.13	19.2800	7,384.45	700.32	86.83	1.17%
<b>PARNASSUS CORE EQUITY FUND INSTITUTIONAL CLASS</b>								
Open End Fund			Security Identifier: PRILX CUSIP: 701769408					
Dividend Option: Reinvest, Capital Gains Option: Reinvest								



Northwestern Mutual

Northwestern Mutual Investment Services, LLC  
1001 Wisconsin Avenue, Suite 1000  
Washington, DC 20004-1100  
1-800-594-1727

# Account Statement

Statement Period: 12/01/2015 - 12/31/2015

## Portfolio Holdings (continued)

Date Acquired	Quantity	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Mutual Funds (continued)</b>								
<b>PARNASSUS CORE EQUITY FUND (continued)</b>								
Average	461.452	38.2680	17,659.06	37.0300	17,087.57	-571.49	410.09	2.39%
<b>PIMCO INCOME FUND CLASS P</b>								
Open End Fund			Security Identifier: PONPX CUSIP: 72201M719					
Dividend Option: Reinvest, Capital Gains Option: Reinvest								
Average	3,856.956	12.2620	47,293.22	11.7300	45,242.09	-2,051.13	2,517.80	5.56%
<b>T ROWE PRICE REAL ESTATE</b>								
Open End Fund			Security Identifier: TRREX CUSIP: 779919109					
Dividend Option: Reinvest, Capital Gains Option: Reinvest								
Average	703.881	17.9920	12,664.27	27.4900	19,349.69	6,685.42	436.40	2.25%
Total Noncovered	703.881		12,664.27		19,349.69	6,685.42	436.40	
Average	100.962	22.8180	2,303.71	27.4900	2,775.44	471.73	62.60	2.25%
Total Covered	100.962		2,303.71		2,775.44	471.73	62.60	
Total	804.843		\$14,967.98		\$22,125.13	\$7,157.15	\$499.00	
<b>TEMPLETON GLOBAL BOND FUND ADVISOR CLASS</b>								
Open End Fund			Security Identifier: TGBAX CUSIP: 880208400					
Dividend Option: Reinvest, Capital Gains Option: Reinvest								
Average	1,283.234	13.4360	17,241.12	11.5300	14,795.68	-2,445.44	500.84	3.38%
Total Noncovered	1,283.234		17,241.12		14,795.68	-2,445.44	500.84	
Average	406.475	12.8430	5,220.25	11.5300	4,686.66	-533.59	158.65	3.38%
Total Covered	406.475		5,220.25		4,686.66	-533.59	158.65	
Total	1,689.709		\$22,461.37		\$19,482.34	-\$2,979.03	\$659.49	
<b>VANGUARD SHORT-TERM INVESTMENT GRADE FUND INVESTOR SHARES</b>								
Open End Fund			Security Identifier: VFSTX CUSIP: 922031406					
Dividend Option: Reinvest, Capital Gains Option: Reinvest								
Average	989.108	10.7690	10,651.52	10.5600	10,444.98	-206.54	186.69	1.78%
Total Noncovered	989.108		10,651.52		10,444.98	-206.54	186.69	
Average	1,931.639	10.8230	20,905.48	10.5600	20,398.11	-507.37	364.60	1.78%

## Portfolio Holdings (continued)

Date Acquired	Quantity	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
<b>Mutual Funds (continued)</b>								
<b>VANGUARD SHORT-TERM INVESTMENT GRADE (continued)</b>								
Total Covered	1,931,639		20,905.48		20,398.11	-507.37	364.60	
Total	2,920,747		\$31,557.00		\$30,843.09	-\$713.91	\$551.29	
<b>Total Mutual Funds</b>								
			\$437,667.28		\$450,564.63	\$12,897.35	\$9,419.36	
<b>Total Portfolio Holdings</b>								
			\$440,987.07		\$453,884.42	\$12,897.35	\$9,419.94	

\* Noncovered under the cost basis rules as defined below.

Securities acquired before 2011 or in retirement accounts are generally not subject to the new cost basis reporting rules set forth in the Internal Revenue Code of 1986, as amended ("IRC") (incorporating amendments enacted by P.L. 110-343, the Emergency Economic Stabilization Act of 2008) and are, therefore, considered "noncovered," under the new cost basis reporting rules, and marked or denoted as such. All other securities in this section are securities which are "covered" under the new cost basis reporting rules. Securities which are "covered" under the new cost basis reporting rules are defined as non-retirement US taxpayers securities which have been acquired on or after their "applicable date(s)" at which they are subject to the cost basis reporting rules and the adjusted basis will be reported to the IRS on form 1099-B for the applicable tax year in which the security is disposed.

Reporting requirements generally will be phased in over a three-year period, as follows:

- Stock in a corporation acquired on or after January 1, 2011
- Mutual funds and dividend reinvestment plan (DRP) shares acquired on or after January 1, 2012
- Options and any Debt Instruments that provide a simple fixed payment schedule for which a yield to maturity can be easily determined acquired on or after January 1, 2014.

3 The cost basis of this security has been provided to us by you or your introducing firm and Pershing makes no representation as to the accuracy of this information.

## Portfolio Holdings Disclosures

### Pricing

This section includes the net market value of the securities in your account on a settlement date basis, including short positions, at the close of the statement period. The market prices, unless otherwise noted, have been obtained from independent vendor services, which we believe to be reliable. Market prices do not constitute a bid or an offer, and may differ from the actual sale price. Securities for which a price is not available are marked "N/A" and are omitted from the Total.

THE AS OF PRICE DATE ONLY APPEARS WHEN THE PRICE DATE DOES NOT EQUAL THE STATEMENT DATE.

### Estimated Annual Figures

The estimated annual income (EAI) and estimated annual yield (EAY) figures are estimates and for informational purposes only. These figures are not considered to be a forecast or guarantee of future results. These figures are computed using information from providers believed to be reliable; however, no assurance can be made as to the accuracy. Since interest and dividend rates are subject to change at any time, and may be affected by current and future economic, political, and business conditions, they should not be relied on for making investment, trading, or tax decisions. These figures assume that the position quantities, interest and dividend rates, and prices remain constant. A capital gain or return of principal may be included in the figures for certain securities, thereby overstating them. Refer to [www.pershing.com/business\\_continuity.html](http://www.pershing.com/business_continuity.html) for specific details as to formulas used to calculate the figures. Accrued interest represents interest earned but not yet received.

### Reinvestment

The dollar amount of Mutual Fund distributions, Money Market Fund dividend income, Bank Deposit interest income, or dividends for other securities shown on your statement may have been reinvested. You will not receive confirmation of these reinvestments. Upon written request to your financial institution, information pertaining to these transactions, including the time of execution and the name of the person from whom your security was purchased, may be obtained. In dividend reinvestment transactions, Pershing acts as your agent and receives payment for order flow.



Schwab One® Account of  
**THE CARTER FAMILY FOUNDATION**

Account Number  
**2215-3100**

Report Period  
**January 1 - December 31,  
2015**

## 2015 Year-End Schwab Gain/Loss Report

### Realized Gain or (Loss)

Accounting Method: High Cost

Short-Term	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
ACCENTURE PLC CL A F ACN	50 0000	11/24/14	05/20/15	\$4,839.09	\$4,246.93	\$592.16
<b>Security Subtotal</b>				<b>\$4,839.09</b>	<b>\$4,246.93</b>	<b>\$592.16</b>
CVS HEALTH CORP. CVS	40 0000	12/10/14	06/23/15	\$4,239.00	\$3,655.51	\$583.49
<b>Security Subtotal</b>				<b>\$4,239.00</b>	<b>\$3,655.51</b>	<b>\$583.49</b>
DONALDSON COMPANY: DCI	185.0000	11/24/14	07/13/15	\$6,270.34	\$7,369.63	(\$1,099.29)
<b>Security Subtotal</b>				<b>\$6,270.34</b>	<b>\$7,369.63</b>	<b>(\$1,099.29)</b>
<b>Total Short-Term</b>				<b>\$15,348.43</b>	<b>\$15,272.07</b>	<b>\$76.36</b>
Long-Term	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
CVS HEALTH CORP. CVS	10 0000	11/18/13	06/23/15	\$1,059.75	\$655.68	\$404.07
<b>Security Subtotal</b>				<b>\$1,059.75</b>	<b>\$655.68</b>	<b>\$404.07</b>
DONALDSON COMPANY: DCI	640 0000	12/02/13	07/13/15	\$21,691.99	\$26,909.62	(\$5,217.63)
DONALDSON COMPANY DCI	80.0000	05/23/14	07/13/15	\$2,711.50	\$3,248.82	(\$537.32)
<b>Security Subtotal</b>				<b>\$24,403.49</b>	<b>\$30,158.44</b>	<b>(\$5,754.95)</b>



Schwab One® Account of  
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## 2015 Year-End Schwab Gain/Loss Report

Realized Gain or (Loss) (continued)						Accounting Method: High Cost
Long-Term (continued)	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
MEDTRONIC INC XXXMANDATORY EXCHANGE EFF 01/27/15 585055106	470 0000	11/25/13	01/27/15	\$36,166.50	\$27,153.33	\$9,013.17
Security Subtotal				\$36,166.50	\$27,153.33	\$9,013.17
SHERWIN WILLIAMS CO SHW	20 0000	12/20/13	02/03/15	\$5,415.27	\$3,622.78	\$1,792.49
Security Subtotal				\$5,415.27	\$3,622.78	\$1,792.49
SIGMA ALDRICH CORP SIAL	210 0000	11/06/13	02/23/15	\$29,064.74	\$17,984.58	\$11,080.16
Security Subtotal				\$29,064.74	\$17,984.58	\$11,080.16
Total Long-Term				\$96,109.75	\$79,574.81	\$16,534.94
Total Realized Gain or (Loss)				\$111,458.18	\$94,846.88	\$16,611.30

Schwab has provided realized gain/loss information wherever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings. See Terms and Conditions.

Option Customers Realized gain/loss of underlying securities is adjusted to reflect the premiums of assigned or exercised options