

For calendar year 2020, or tax year beginning 07-01-2020, and ending 06-30-2021

Name of foundation SHELTON FAMILY FOUNDATION		A Employer identification number 75-2655885	
Number and street (or P.O. box number if mail is not delivered to street address) PO BOX 2791		Room/suite	
City or town, state or province, country, and ZIP or foreign postal code ABILENE, TX 79604		B Telephone number (see instructions) (325) 676-7724	
G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change		D 1. Foreign organizations, check here..... 2. Foreign organizations meeting the 85% test, check here and attach computation ...	
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here	
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶\$ 24,981,566		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here	
J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____ (Part I, column (d) must be on cash basis.)			

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check ☒ if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities . . .	408,681	408,681		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	1,823,341			
	b Gross sales price for all assets on line 6a 3,009,530				
	7 Capital gain net income (from Part IV, line 2) . . .		1,823,341		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less: Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)				
	12 Total. Add lines 1 through 11	2,232,022	2,232,022		
	13 Compensation of officers, directors, trustees, etc.	130,350	32,588		97,763
	14 Other employee salaries and wages	46,797	0		46,797
	15 Pension plans, employee benefits	21,949	2,581		19,368
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	6,136	0		6,136
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	53,042	2,540		8,503
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings	942	0		942
	22 Printing and publications				
	23 Other expenses (attach schedule)	7,186	63		7,123
	24 Total operating and administrative expenses. Add lines 13 through 23	266,402	37,772		186,632
	25 Contributions, gifts, grants paid	819,270			819,270
	26 Total expenses and disbursements. Add lines 24 and 25	1,085,672	37,772		1,005,902
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	1,146,350			
	b Net investment income (if negative, enter -0-)		2,194,250		
	c Adjusted net income (if negative, enter -0-)				

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)		
		Beginning of year (a) Book Value	End of year (b) Book Value (c) Fair Market Value	
Assets	1 Cash—non-interest-bearing			
	2 Savings and temporary cash investments	889,425	287,067	287,067
	3 Accounts receivable ▶ _____ Less: allowance for doubtful accounts ▶ _____			
	4 Pledges receivable ▶ _____ Less: allowance for doubtful accounts ▶ _____			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach schedule) ▶ _____ Less: allowance for doubtful accounts ▶ _____			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments—U.S. and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)	25,130,219	24,995,529	7,366,137
	c Investments—corporate bonds (attach schedule)	3,267,791	2,754,189	2,866,675
	11 Investments—land, buildings, and equipment: basis ▶ _____ Less: accumulated depreciation (attach schedule) ▶ _____			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)	9,429,738	11,826,738	14,461,687
	14 Land, buildings, and equipment: basis ▶ _____ Less: accumulated depreciation (attach schedule) ▶ _____			
15 Other assets (describe ▶ _____)				
16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	38,717,173	39,863,523	24,981,566	
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 (attach schedule).			
	22 Other liabilities (describe ▶ _____)			
	23 Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	Foundations that follow FASB ASC 958, check here ▶ ☒ and complete lines 24, 25, 29 and 30.			
	24 Net assets without donor restrictions	38,717,173	39,863,523	
	25 Net assets with donor restrictions			
	Foundations that do not follow FASB ASC 958, check here ▶ ☐ and complete lines 26 through 30.			
	26 Capital stock, trust principal, or current funds			
	27 Paid-in or capital surplus, or land, bldg., and equipment fund			
	28 Retained earnings, accumulated income, endowment, or other funds			
	29 Total net assets or fund balances (see instructions)	38,717,173	39,863,523	
	30 Total liabilities and net assets/fund balances (see instructions) .	38,717,173	39,863,523	

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 29 (must agree with end-of-year figure reported on prior year's return)	1	38,717,173
2 Enter amount from Part I, line 27a	2	1,146,350
3 Other increases not included in line 2 (itemize) ▶ _____	3	0
4 Add lines 1, 2, and 3	4	39,863,523
5 Decreases not included in line 2 (itemize) ▶ _____	5	0
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 29 .	6	39,863,523

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.)
1 a PUBLICLY TRADED SECURITIES				
b CAPITAL GAINS DIVIDENDS		P		
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 2,942,338		1,186,189	1,756,149
b 67,192			67,192
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col.(h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			1,756,149
b			67,192
c			
d			
e			

2	Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	1,823,341
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8		3	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**SECTION 4940(e) REPEALED ON DECEMBER 20, 2019 - DO NOT COMPLETE**

1 Reserved				
(a) Reserved	(b) Reserved	(c) Reserved	(d) Reserved	
2 Reserved			2	
3 Reserved			3	
4 Reserved			4	
5 Reserved			5	
6 Reserved			6	
7 Reserved			7	
8 Reserved ,			8	

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)		
b	Reserved.	1	30,500
c	All other domestic foundations enter 1.39% 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	30,500
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	30,500
6	Credits/Payments:		
a	2020 estimated tax payments and 2019 overpayment credited to 2020	6a	46,852
b	Exempt foreign organizations—tax withheld at source	6b	0
c	Tax paid with application for extension of time to file (Form 8868)	6c	0
d	Backup withholding erroneously withheld	6d	0
7	Total credits and payments. Add lines 6a through 6d.	7	46,852
8	Enter any penalty for underpayment of estimated tax. Check here ☒ if Form 2220 is attached.	8	0
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	16,352
11	Enter the amount of line 10 to be: Credited to 2021 estimated tax 16,352 Refunded	11	0

Part VII-A Statements Regarding Activities

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?		Yes	No
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes? (see Instructions for definition). <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>	1a		No
c	Did the foundation file Form 1120-POL for this year?	1b		No
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	1c		No
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? <i>If "Yes," attach a detailed description of the activities.</i>	2		No
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>	3		No
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on Form 990-T for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>	5		No
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?	6	Yes	
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV.</i>	7	Yes	
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? <i>If "No," attach explanation.</i>	8b	Yes	
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 2020 or the taxable year beginning in 2020? See the instructions for Part XIV. <i>If "Yes," complete Part XIV</i>	9		No
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses.</i>	10		No

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		No
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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>N/A</u>	13	Yes	
14	The books are in care of ► <u>DAVID L COPELAND PRESIDENT</u> Telephone no. ► <u>(325) 676-7724</u>			

Located at ► 273 WALNUT ABILENE TX ZIP+4 ► 79601

15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —check here	☐		
	and enter the amount of tax-exempt interest received or accrued during the year	► 15		
16	At any time during calendar year 2020, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	Yes	No
	See the instructions for exceptions and filing requirements for 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.

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No		
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No		
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☒ Yes ☐ No		
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ No		
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No		
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance? See instructions	1b	No
	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 2020?	1c	No
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 2020, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2020? ☐ Yes ☒ No If "Yes," list the years ► 20____, 20____, 20____, 20____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions.)	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► 20____, 20____, 20____, 20____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☒ Yes ☐ No		
b	If "Yes," did it have excess business holdings in 2020 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 2020.)	3b	No
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	No
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 2020?	4b	No

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:		Yes	No
(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.		5b	
	Organizations relying on a current notice regarding disaster assistance check here.	☐		
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? If "Yes," attach the statement required by Regulations section 53.4945–5(d).	☐ Yes ☐ No		
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes ☒ No	6b	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	7b	
b	If "Yes", did the foundation receive any proceeds or have any net income attributable to the transaction?			
8	Is the foundation subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment during the year?	☐ Yes ☒ No		

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

1 List all officers, directors, trustees, foundation managers and their compensation. See instructions				
(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Additional Data Table				
2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."				
(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				
Total number of other employees paid over \$50,000.				0

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

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE".		
(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services. ▶		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	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)	
Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3 ▶	0

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities.	1a	20,930,173
b	Average of monthly cash balances.	1b	2,212,259
c	Fair market value of all other assets (see instructions).	1c	0
d	Total (add lines 1a, b, and c).	1d	23,142,432
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 	1e	106,544
2	Acquisition indebtedness applicable to line 1 assets.	2	0
3	Subtract line 2 from line 1d.	3	23,142,432
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	347,136
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	22,795,296
6	Minimum investment return. Enter 5% of line 5.	6	1,139,765

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	1,139,765
2a	Tax on investment income for 2020 from Part VI, line 5.	2a	30,500
b	Income tax for 2020. (This does not include the tax from Part VI.).	2b	
c	Add lines 2a and 2b.	2c	30,500
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	1,109,265
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	1,109,265
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	1,109,265

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	1,005,902
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	1,005,902
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b. See instructions.	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	1,005,902

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 2019	(c) 2019	(d) 2020
1 Distributable amount for 2020 from Part XI, line 7				1,109,265
2 Undistributed income, if any, as of the end of 2020:				
a Enter amount for 2019 only.			825,347	
b Total for prior years: 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2020:				
a From 2015.				
b From 2016.				
c From 2017.				
d From 2018.				
e From 2019.				
f Total of lines 3a through e.	0			
4 Qualifying distributions for 2020 from Part XII, line 4: ► \$ <u>1,005,902</u>				
a Applied to 2019, but not more than line 2a			825,347	
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 2020 distributable amount.				180,555
e Remaining amount distributed out of corpus	0			
5 Excess distributions carryover applied to 2020. (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	0			
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 2019. Subtract line 4a from line 2a. Taxable amount—see instructions.			0	
f Undistributed income for 2021. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2020.				928,710
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 2015 not applied on line 5 or line 7 (see instructions).	0			
9 Excess distributions carryover to 2021. Subtract lines 7 and 8 from line 6a.	0			
10 Analysis of line 9:				
a Excess from 2016.				
b Excess from 2017.				
c Excess from 2018.				
d Excess from 2019.				
e Excess from 2020.				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2020, enter the date of the ruling. ▶

b Check box to indicate whether the organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2020	(b) 2019	(c) 2018	(d) 2017	
2a 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).)

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.

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. to individuals or organizations under other conditions, complete items 2a, b, c, and d. See instructions

a The name, address, and telephone number or e-mail address of the person to whom applications should be addressed:

SHELTON FAMILY FOUNDATION DAVID L C
PO BOX 2791
ABILENE, TX 79604
(325) 676-7724

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

CONTACT FOUNDATION MANAGER TO RECEIVE APPLICATION GUIDELINES.

c Any submission deadlines:

NONE

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

LIMITED TO 501(C)(3) ORGANIZATIONS OR GOVERNMENTAL ENTITIES, PRIMARILY IN WEST CENTRAL TEXAS.

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 <i>Paid during the year</i> See Additional Data Table				
Total			▶ 3a	819,270
b <i>Approved for future payment</i> See Additional Data Table				
Total			▶ 3b	141,500

Enter gross amounts unless otherwise indicated.

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Form **990-PF** (2020)

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

		Yes	No
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1a(1)	No
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1a(2)		No
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1b(1)	No
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1b(2)		No
--------------	--	-----------

1b(3)		No
--------------	--	-----------

1b(4)		No
--------------	--	-----------

1b(5)		No
--------------	--	-----------

1b(6)	No
--------------	-----------

1c		No
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value
ue

[illegible]

described in section 501(c) (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

**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.

2021-09-10

Signature of officer or trustee

Date _____

Title

May the IRS discuss this
return
with the preparer shown
below

(see instr.) ☒ Yes ☐ No

**Paid
Preparer
Use Only**

Paid Preparer Use Only	Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ☐	PTIN
	JOE MELSON CPA		2021-08-27		P00158111
	Firm's name ▶ EIDE BAILLY LLP				Firm's EIN ▶ 45-0250958
	Firm's address ▶ 400 PINE ST STE 600 ABILENE, TX 796015190				Phone no. (325) 672-4000

Form 990PF Part VIII Line 1 - List all officers, directors, trustees, foundation managers and their compensation				
(a) Name and address	Title, and average hours per week (b) devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	Expense account, (e) other allowances
DAVID L COPELAND	PRES/TREAS/DIR 30.00	130,350	10,323	0
PO BOX 2791 ABILENE, TX 79604				
SHAY SHELTON HOFFMAN	DIRECTOR 3.00	0	0	0
PO BOX 2791 ABILENE, TX 79604				
SINDY SHELTON DURHAM	DIRECTOR 3.00	0	0	0
PO BOX 2791 ABILENE, TX 79604				
C CHRISTINE NICHOLS	ADVISORY DIR. 1.00	0	0	0
PO BOX 2791 ABILENE, TX 79604				
WENDY H DURHAM	DIRECTOR 3.00	0	0	0
PO BOX 2791 ABILENE, TX 79604				
ANDREW D DURHAM	DIRECTOR 3.00	0	0	0
PO BOX 2791 ABILENE, TX 79604				
DAVID R DURHAM	DIRECTOR 3.00	0	0	0
PO BOX 2791 ABILENE, TX 79604				
LEONARD R HOFFMAN	DIRECTOR 3.00	0	0	0
PO BOX 2791 ABILENE, TX 79604				

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
ABILENE ARTS ALLIANCE 1101 NORTH 1ST ABILENE, TX 79601		PC	CHILDREN'S PERFORMING ARTS SERIES	2,000
ABILENE CHRISTIAN SCHOOLS INC 2551 NORTH JUDGE ELY BLVD ABILENE, TX 79602		PC	ACS IN THE LIGHTS	1,000
ABILENE CHRISTIAN UNIVERSITY ACU BOX 29101 ABILENE, TX 77000		PC	BAPTIST STUDIES CENTER	25,000
Total ▶ 3a				819,270

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
ABILENE PERFORMING ARTS COMPANY INC 1049 INDUSTRIAL BLVD SUITE 200 ABILENE, TX 79602		PC	SCHOLARSHIP FUND	500
ABILENE PHILHARMONIC GUILD INC 401 CYPRESS STE 520 ABILENE, TX 79601		PC	2021 BALL	5,000
ABILENE PRESERVATION LEAGUE PO BOX 3451 ABILENE, TX 79602		PC	ABILENE COURTS	2,500
Total ▶ 3a				819,270

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
ABILENE TENNIS ASSOCIATION PO BOX 3624 ABILENE, TX 79604		PC	GROW TENNIS	500
ABILENE ZOOLOGICAL SOCIETY 2070 ZOO LANE ABILENE, TX 79602		PC	ZOOBILATION	1,000
AMERICAN NATIONAL RED CROSS 1610 NORTH 2ND STREET ABILENE, TX 79601		PC	2021 OPERATIONS	5,000
Total ▶ 3a				819,270

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
BIG BROTHERS BIG SISTERS OF ABILENE INC 547 CHESTNUT STREET ABILENE, TX 79602		PC	ONE-TO-ONE MENTORING	10,000
BIG COUNTRY ATHLETIC HALL OF FAME 25 GLEN ABBEY ABILENE, TX 79606		PC	CLASS OF 2021	500
BIG COUNTRY CASA 400 OAK STREET SUITE 217 ABILENE, TX 79602		PC	OPERATIONS	5,000
Total ► 3a				819,270

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
CALLAHAN COUNTY AGING SERVICES 100 W 4TH SUITE 302 BAIRD, TX 79504		PC	2021 OPERATIONS	5,000
CENTER FOR CONTEMPORARY ARTS 220 CYPRESS ABILENE, TX 79601		PC	DISTINGUISHED ARTIST AWARDS BANQUET	1,000
COMMUNITY FOUNDATION OF ABILENE P O BOX 1001 ABILENE, TX 79604		PC	ABILENE GIVES 2021	2,500
Total ▶ 3a				819,270

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
CYSTIC FIBROSIS FOUNDATION 4040 NORTH CENTRAL EXPRESSWAY STE 730 DALLAS, TX 75204		PC	GREAT STRIDES WALK 2020	1,000
DAY NURSERY OF ABILENE 702 CEDAR STREET ABILENE, TX 79601		PC	DUELING PIANOS	1,500
DISABILITY RESOURCES INCORPORATED P O BOX 1880 ABILENE, TX 79604		PC	FULFILLING THE PROMISE CAMPAIGN	25,000
Total ▶ 3a				819,270

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
EXPO CENTER OF TAYLOR COUNTY 1700 HIGHWAY 36 ABILENE, TX 79602		PC	EVENING FOR THE EXPO	1,200
FIRST BAPTIST CHURCH 1333 NORTH THIRD STREET ABILENE, TX 79601		PC	CITY LIGHT RENOVATION	100,000
FOOD BANK OF ABILENE INC 5505 NORTH 1ST STREET ABILENE, TX 79603		PC	YEAR END NEED	5,000
Total ▶ 3a				819,270

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
FRIENDS OF THE ABILENE PUBLIC LIBRARY C/O 202 CEDAR ABILENE, TX 79601		PC	2021 WEST TEXAS BOOK & ARTHUR FESTIVAL	2,000
GLOBAL SAMARITAN RESOURCES INC PO BOX 3431 ABILENE, TX 79604		PC	BRITHDAY CELEBRATION	2,500
GRACE MUSEUM102 CYPRESS ST ABILENE, TX 79601		PC	2021 ANNUAL FALL BENEFIT	5,000
Total ▶ 3a				819,270

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
HABITAT FOR HUMANITY ABILENE TX INC 101 FULWILER ROAD ABILENE, TX 79603		PC	VIRTUAL FUNDRAISER	1,500
HISTORIC PARAMOUNT THEATRE INC P O BOX 1818 ABILENE, TX 79604		PC	2021 JUNIOR NON-SHOW FUNDS	1,000
KENLEY SCHOOL1434 MATADOR ABILENE, TX 79605		PC	2021 OPERATIONS	55,000
Total ▶ 3a				819,270

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
MCMURRY UNIVERSITY MCM STATION BOX 938 ABILENE, TX 79697		PC	WOMEN'S LEADERSHIP SCHOLARSHIPS	1,000
NATIONAL CENTER FOR CHILDREN'S ILLUSTRATED LITERATURE 102 CEDAR ABILENE, TX 79601		PC	LOREN LONG DINNER	1,200
NATIONAL CENTER FOR CHILDREN'S ILLUSTRATED LITERATURE 102 CEDAR ABILENE, TX 79601		PC	2021 OPERATIONS SUPPORT	42,000
Total ▶ 3a				819,270

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
NEW HORIZONS RANCH & CENTER INC 147 SAYLES BLVD ABILENE, TX 79605		PC	MENTAL HEALTH TREATMENT	5,000
PRESBYTERIAN MEDICAL CARE MISSION 1857 PINE STREET STE 100 ABILENE, TX 79601		PC	PULL FOR PATIENTS	1,000
RESCUE THE ANIMALS 4620 NORTH FIRST STREET ABILENE, TX 79603		PC	2021 FUR BALL	500
Total ▶ 3a				819,270

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
RESCUE THE ANIMALS 4620 NORTH FIRST STREET ABILENE, TX 79603		PC	2021 OPERATING EXPENSES	20,000
RESTORED HOPE MINISTRIES INC PO BOX 710127 DALLAS, TX 75371		PC	OPERATIONS	25,000
SAFE FAMILIES FOR CHILDREN 1100 HWY 80 E ABILENE, TX 79601		PC	OPERATING FUNDS	20,170
Total ▶ 3a				819,270

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
SALVATION ARMY & ITS COMPONENTS 1726 BUTTERNUT ABILENE, TX 79602		PC	2020-2022 OPERATING FUNDS	25,000
SALVATION ARMY & ITS COMPONENTS 1726 BUTTERNUT ABILENE, TX 79602		PC	INSPIRING HOPE	5,000
SALVATION ARMY & ITS COMPONENTS 1727 BUTTERNUT ABILENE, TX 79603		PC	2020 COVID-19 SHORTFALL	10,000
Total ▶ 3a				819,270

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
SALVATION ARMY & ITS COMPONENTS 1728 BUTTERNUT ABILENE, TX 79604		PC	DOING THE MOST GOOD	5,000
SPECIAL OLYMPICS TEXAS INC 500 CHESTNUT STREET STE 1821 ABILENE, TX 79601		PC	2020 SPORTS PROGRAM	5,000
SPECIAL OLYMPICS TEXAS INC 501 CHESTNUT STREET STE 1821 ABILENE, TX 79602		PC	2021 SPORTS PROGRAM	5,000
Total ▶ 3a				819,270

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
TAYLOR COUNTY HISTORY CENTER 133 N WILLIAM STREET BUFFALO GAP, TX 79508		PC	COMANCHE MOON SOCIAL	1,000
TAYLOR COUNTY HISTORY CENTER 134 N WILLIAM STREET BUFFALO GAP, TX 79509		PC	ONLINE FUNDRAISER	1,000
TAYLOR COUNTY VETERANS SERVICE OFFICE 400 OAK STREET SUITE 170 ABILENE, TX 79602		PC	THANKSGIVING MEAL	1,000
Total ▶ 3a				819,270

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
TEXANS FOR THE ARTS FOUNDATION PO BOX 4549 AUSTIN, TX 78765		PC	GIFT	1,000
THE ABILENE EDUCATION FUND P O BOX 1999 ABILENE, TX 79604		PC	2021-2023 COOL PROGRAM	235,700
TSTC FOUNDATION3801 CAMPUS DRIVE WACO, TX 76705		PC	OPERATIONS	120,000
Total ▶ 3a				819,270

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
UNITED WAY OF ABILENEP O BOX 82 ABILENE, TX 79604		PC	2021 CAMPAIGN	12,500
UNITED WAY OF ABILENEP O BOX 82 ABILENE, TX 79604		PC	WINTER LIGHTFEST	5,000
WEST TEXAS REHABILITATION CENTER 4601 HARTFORD ABILENE, TX 79605		PC	GOLF CLASSIC	1,500
Total ▶ 3a				819,270

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
WEST TEXAS REHABILITATION CENTER 4602 HARTFORD ABILENE, TX 79606		PC	GOLF CLASSIC	1,500
YOUNG MEN'S CHRISTIAN ASSOCIATION PO BOX 3137 ABILENE, TX 79604		PC	2021 SCHOLARSHIP CAMPAIGN	1,000
Total ▶ 3a				819,270

TY 2020 Accounting Fees Schedule**Name:** SHELTON FAMILY FOUNDATION**EIN:** 75-2655885

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EIDE BAILLY LLP	6,136	0		6,136

TY 2020 Investments Corporate Bonds Schedule**Name:** SHELTON FAMILY FOUNDATION**EIN:** 75-2655885**Investments Corporate Bonds Schedule**

Name of Bond	End of Year Book Value	End of Year Fair Market Value
APPLE BOND	507,084	541,565
CITIBANK	248,124	266,064
GOLDMAN SACHS	248,805	266,064
JP MORGAN CHASE BOND	504,941	502,460
MICROSOFT BOND	497,689	516,775
ORACLE BOND	499,546	507,725
WELLS FARGO	248,000	266,022

TY 2020 Investments Corporate Stock Schedule

Name: SHELTON FAMILY FOUNDATION

EIN: 75-2655885

Investments Corporation Stock Schedule

Name of Stock	End of Year Book Value	End of Year Fair Market Value
3M COMPANY	33,499	79,452
ABBOTT LABORATORIES	17,184	81,151
ABBVIE INC	18,634	78,848
ACCENTURE PLC	99,804	184,244
ADP INC	59,786	337,654
ALPHABET INC	62,782	366,269
APPLE INC	36,664	328,704
CHEVRON CORP	163,671	215,031
CISCO SYSTEMS	62,600	151,050
CME GROUP INC	95,399	361,556
COCA-COLA COMPANY	46,431	86,576
CONOCO-PHILLIPS	103,200	182,700
HARTE HANKS STOCK	23,116,173	1,598,604
HONEYWELL INTL	99,172	142,578
IDEXX LABORATORIES INC	15,041	442,085
JOHNSON & JOHNSON	62,293	172,977
MCDONALDS CORP	36,979	115,495
MEDTRONIC PLC	75,668	124,130
MERCK & COMPANY INC	34,274	77,770
METTLER-TOLEDO INTERNATIONAL INC	31,497	484,869
MICROSOFT CORP	24,150	270,900
ORACLE CORP	89,720	194,600
PEPSICO INC	42,705	96,311
QUALCOMM INC	99,723	271,567
VISA INC	87,554	327,348
WABTEC	99,893	213,980
WAL-MART STORES INC	31,210	84,612
WILLIAMS	248,130	292,050
ORGANON	1,693	3,026

TY 2020 Investments - Other Schedule**Name:** SHELTON FAMILY FOUNDATION**EIN:** 75-2655885**Investments Other Schedule 2**

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
ARTISAN INTERNATIONAL FUND	AT COST	609,231	1,273,922
DODGE & COX STOCK FUND	AT COST	114,917	329,372
T ROWE PRICE EMERGING MARKETS VALUE STOCK	AT COST	1,000,000	1,223,641
VANGUARD DEVELOPED MARKETS INDEX	AT COST	761,775	1,338,186
VANGUARD EMERGING MARKETS STOCK INDEX	AT COST	529,961	690,987
VANGUARD FTSE EMERGING MARKET	AT COST	549,910	689,737
VANGUARD INTERMEDIATE TERM CORP BOND INEX ADMIRAL CL	AT COST	1,750,000	1,834,764
VANGUARD INTERMEDIATE TERM INVEST GRADE ADMIRAL CL	AT COST	1,750,000	1,790,636
VANGUARD INTL VALUE INVESTOR	AT COST	1,250,000	1,450,629
VANGUARD TOTAL BOND MKT. INDEX	AT COST	3,510,944	3,839,813

TY 2020 Other Expenses Schedule**Name:** SHELTON FAMILY FOUNDATION**EIN:** 75-2655885**Other Expenses Schedule**

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INSURANCE EXPENSE	5,467	0		5,467
OFFICE EXPENSE	891	0		891
PROFESSIONAL DUES	765	0		765
INVESTMENT FEE/MANAGEMENT FEE	63	63		0

TY 2020 Reduction Explanation Statement

Name: SHELTON FAMILY FOUNDATION

EIN: 75-2655885

Explanation: AS OF JUNE 30, 2021, THE FOUNDATION OWNED 306,246 SHARES OF HARTE-HANKS, INC., WHICH REPRESENTS 4.8% OF THE OUTSTANDING SHARES OF THE COMPANY. NO SHARES WERE SOLD OR PURCHASED DURING THE YEAR. THE APPRAISAL FIRM OF GEORGE VALUATION ADVISORS APPRAISED THE BLOCKAGE DISCOUNT IN 2011. THEIR APPRAISAL CONCLUDED THAT A 12% BLOCKAGE DISCOUNT SHOULD BE USED. THERE HAVE BEEN NO SIGNIFICANT CHANGES SINCE THE DISCOUNT WAS CALCULATED, INCLUDING NO CHANGE IN OWNERSHIP. UNDER THE INTERNAL REVENUE CODE SECTION 4942, THE MAXIMUM BLOCKAGE DISCOUNT AVAILABLE FOR TAX PURPOSES IS 10%. THEREFORE, A 10% DISCOUNT WAS USED IN DETERMINING THE FAIR MARKET VALUE OF THE HARTE HANKS, INC. STOCK. THE AVERAGE DISCOUNT WAS \$106,544.

TY 2020 Taxes Schedule**Name:** SHELTON FAMILY FOUNDATION**EIN:** 75-2655885**Taxes Schedule**

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXCISE TAX	42,000	0		0
PAYROLL TAXES	10,176	1,674		8,503
FOREIGN TAXES	866	866		0