

Return of Private Foundation

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

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2018

Open to Public Inspection

Form **990-PF**

Department of the Treasury
Internal Revenue Service

For calendar year 2018 or tax year beginning , and ending

Name of foundation THE KJELLSTROM FAMILY FOUNDATION		A Employer identification number 20-6368876
Number and street (or P.O. box number if mail is not delivered to street address) 6845 WEAVER ROAD	Room/suite 200	B Telephone number 815-637-9584
City or town, state or province, country, and ZIP or foreign postal code ROCKFORD, IL 61114		C If exemption application is pending, check here ... <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ... <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 9,588,912.	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ... <input type="checkbox"/>

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)</small>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received			N/A	
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	201,382.	201,382.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	340,442.			
	b Gross sales price for all assets on line 6a 6,211,063.				
	7 Capital gain net income (from Part IV, line 2)		340,442.		
	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	216.	216.		STATEMENT 2	
12 Total. Add lines 1 through 11	542,040.	542,040.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	6,000.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 3	15,453.	0.		0.
	c Other professional fees STMT 4	87,360.	87,360.		0.
	17 Interest				
	18 Taxes STMT 5	101,678.	5,559.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 6	931.	0.		0.
	24 Total operating and administrative expenses. Add lines 13 through 23	211,422.	92,919.		0.
	25 Contributions, gifts, grants paid	794,930.			794,930.
26 Total expenses and disbursements. Add lines 24 and 25	1,006,352.	92,919.		794,930.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements ...	<464,312.>				
b Net investment income (if negative, enter -0-)		449,121.			
c Adjusted net income (if negative, enter -0-)			N/A		

Part II Balance Sheets <small>Attached schedules and amounts in the description column should be for end-of-year amounts only.</small>		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	4,331,287.	480,001.	480,001.
	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	STMT 7	6,080,208.	9,365,112.	9,108,911.
14 Land, buildings, and equipment: basis ▶				
Less: accumulated depreciation ▶				
15 Other assets (describe ▶				
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)		10,411,495.	9,845,113.	9,588,912.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶			
23 Total liabilities (add lines 17 through 22)		0.	0.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	and complete lines 24 through 26, and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	2,920,250.	2,920,250.	
28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.		
29 Retained earnings, accumulated income, endowment, or other funds ...	7,491,245.	6,924,863.		
30 Total net assets or fund balances	10,411,495.	9,845,113.		
31 Total liabilities and net assets/fund balances	10,411,495.	9,845,113.		

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	10,411,495.
2 Enter amount from Part I, line 27a	2	<464,312.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	9,947,183.
5 Decreases not included in line 2 (itemize) ▶ BASIS ADJUSTMENTS	5	102,070.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	9,845,113.

Part IV Capital Gains and Losses for Tax on Investment Income SEE ATTACHED STATEMENTS

(a) List and describe the kind(s) of property sold (for example, real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a			
b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) ((e) plus (f) minus (g))
a			
b			
c			
d			
e			
6,211,063.		5,870,621.	340,442.

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			
c			
d			
e			
			340,442.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69.			
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	340,442.
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 doesn't 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))
2017	194,800.	3,674,493.	.053014
2016	120,000.	2,930,067.	.040955
2015	164,890.	2,996,440.	.055029
2014	157,819.	2,673,714.	.059026
2013	231,370.	2,717,115.	.085153

2	Total of line 1, column (d)	2	.293177
3	Average distribution ratio for the 5-year base period - divide the total on line 2 by 5.0, or by the number of years the foundation has been in existence if less than 5 years	3	.058635
4	Enter the net value of noncharitable-use assets for 2018 from Part X, line 5	4	10,420,735.
5	Multiply line 4 by line 3	5	611,020.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	4,491.
7	Add lines 5 and 6	7	615,511.
8	Enter qualifying distributions from Part XII, line 4	8	794,930.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	4,491.
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	4,491.
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	4,491.
6 Credits/Payments:			
a 2018 estimated tax payments and 2017 overpayment credited to 2018	6a	48,760.	
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	48,760.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> 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	44,269.	
11 Enter the amount of line 10 to be: Credited to 2019 estimated tax 44,269. Refunded	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 the 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. ▶ \$ 0. (2) On foundation managers. ▶ \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year? N/A		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by <i>General Instruction T</i> .		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. ▶ <u>IL</u>		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? 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 2018 or the tax year beginning in 2018? See the 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

Part VII-A Statements Regarding Activities (continued)

Table with 3 columns: Question, Yes, No. Rows 11-16 containing questions about controlled entities, distributions, public inspection, website address, books in care, and foreign country interests.

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.

Table with 3 columns: Question, Yes, No. Rows 1a-4b containing questions about disqualifying acts, taxes on failure to distribute income, and business enterprise interests.

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

		Yes	No
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))?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? See instructions	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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	5b	
Organizations relying on a current notice regarding disaster assistance, check here	<input type="checkbox"/>		
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 <input type="checkbox"/> Yes <input type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		6b	X
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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	N/A	7b	
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(s) during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

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

1 List all officers, directors, trustees, and 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
JON BATES 946 N 2ND STREET ROCKFORD, IL 61107	TRUSTEE 0.50	2,000.	0.	0.
PAUL LOGLI 612 N MAIN ST #300 ROCKFORD, IL 61103	TRUSTEE 0.50	2,000.	0.	0.
DAN LOESCHER 6845 WEAVER RD, SUITE 200 ROCKFORD, IL 61114	TRUSTEE 0.50	2,000.	0.	0.

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

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

Total number of other employees paid over \$50,000 0

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services 0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 SEE PART XV - LINE 3A	
	0.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
3	
All other program-related investments. See instructions.	

Total. Add lines 1 through 3 0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	9,359,798.
b	Average of monthly cash balances	1b	1,219,628.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	10,579,426.
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	10,579,426.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	158,691.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	10,420,735.
6	Minimum investment return. Enter 5% of line 5	6	521,037.

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	521,037.
2a	Tax on investment income for 2018 from Part VI, line 5	2a	4,491.
b	Income tax for 2018. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	4,491.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	516,546.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	516,546.
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	516,546.

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	794,930.
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	794,930.
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	4,491.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	790,439.

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 2017	(c) 2017	(d) 2018
1 Distributable amount for 2018 from Part XI, line 7				516,546.
2 Undistributed income, if any, as of the end of 2018:				
a Enter amount for 2017 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2018:				
a From 2013				
b From 2014				
c From 2015				
d From 2016				
e From 2017				59,327.
f Total of lines 3a through e	59,327.			
4 Qualifying distributions for 2018 from Part XII, line 4: ▶ \$	794,930.			
a Applied to 2017, 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 2018 distributable amount				516,546.
e Remaining amount distributed out of corpus	278,384.			
5 Excess distributions carryover applied to 2018 (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	337,711.			
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 2017. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2018. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2019				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 2013 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2019. Subtract lines 7 and 8 from line 6a	337,711.			
10 Analysis of line 9:				
a Excess from 2014				
b Excess from 2015				
c Excess from 2016				
d Excess from 2017				59,327.
e Excess from 2018				278,384.

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 2018, enter the date of the ruling ▶

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

	Tax year				(e) Total
	(a) 2018	(b) 2017	(c) 2016	(d) 2015	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 Information Regarding Foundation Managers:

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

DAN LOESCHER

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

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

SEE STATEMENT 8

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

c Any submission deadlines:

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

Part XV Supplementary Information *(continued)*

3 Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
BURPEE MUSEUM 737 N. MAIN STREET ROCKFORD, IL 61103	NONE	PUBLIC	SOCIAL WELFARE	31,640.
C.A.S.A. 211 S. COURT STREET ROCKFORD, IL 61101	NONE	PUBLIC	SOCIAL WELFARE	10,000.
DISCOVERY CENTER 711 N. MAIN STREET ROCKFORD, IL 61103	NONE	PUBLIC	SOCIAL WELFARE	13,400.
FRIENDS OF THE CORONADO 314 N MAIN STREET ROCKFORD, IL 61101	NONE	PUBLIC	ARTS	10,000.
GOLDIE FLOBERG CENTER 58 W. ROCKTON ROAD ROCKTON, IL 61072	NONE	PUBLIC	SOCIAL WELFARE	38,333.
Total SEE CONTINUATION SHEET(S) ▶ 3a				794,930.
b Approved for future payment				
NONE				
Total ▶ 3b				0.

THE KJELLSTROM FAMILY FOUNDATION

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 GINNIE MAE POOL #291108 GNMA	P		
b SEE ATTACHED RAYMOND JAMES STATEMENT A/C 78875792	P		
c SEE ATTACHED RAYMOND JAMES STATEMENT A/C 78875792	P		
d SEE ATTACHED RAYMOND JAMES STATEMENT A/C 77128837	P		
e SEE ATTACHED RAYMOND JAMES STATEMENT A/C 77128837	P		
f SEE ATTACHED RAYMOND JAMES STATEMENT A/C 77128837	P		
g SEE ATTACHED RAYMOND JAMES STATEMENT A/C 340WL110	P		
h SEE ATTACHED RAYMOND JAMES STATEMENT A/C 340WL110	P		
i SEE ATTACHED RAYMOND JAMES STATEMENT A/C 2862W165	P		
j SEE ATTACHED RAYMOND JAMES STATEMENT A/C 2862W165	P		
k SEE ATTACHED RAYMOND JAMES STATEMENT A/C 394Y8598	P		
l CAPITAL GAINS DIVIDENDS			
m			
n			
o			

(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 4.		4.	0.
b 12,176.		12,538.	<362.>
c 19,810.		14,348.	5,462.
d 75,690.		78,531.	<2,841.>
e 252,490.		257,333.	<4,843.>
f 46,679.		46,679.	0.
g 2,348,860.		2,324,480.	24,380.
h 2,300,977.		1,993,568.	307,409.
i 6,884.		7,704.	<820.>
j 38,156.		25,374.	12,782.
k 1,107,151.		1,110,062.	<2,911.>
l 2,186.			2,186.
m			
n			
o			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
(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			0.
b			<362.>
c			5,462.
d			<2,841.>
e			<4,843.>
f			0.
g			24,380.
h			307,409.
i			<820.>
j			12,782.
k			<2,911.>
l			2,186.
m			
n			
o			

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	340,442.
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 XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
LITERACY COUNCIL 982 N. MAIN STREET ROCKFORD, IL 61103	NONE	PUBLIC	EDUCATION	23,500.
MIDWAY VILLAGE MUSEUM 6799 GUILFORD ROAD ROCKFORD, IL 61107	NONE	PUBLIC	SOCIAL WELFARE	45,000.
MUSIC ACADEMY 226 S. 2ND STREET ROCKFORD, IL 61104	NONE	PUBLIC	EDUCATION	5,260.
ROCKFORD AREA LUTHERAN MINISTRIES 115 N. WYMAN STREET ROCKFORD, IL 61101	NONE	PUBLIC	SOCIAL WELFARE	8,500.
NATURAL LAND INSTITUTE 320 S. THIRD STREET ROCKFORD, IL 61104	NONE	PUBLIC	SOCIAL WELFARE	29,000.
NORTHERN IL CENTER FOR NONPROFIT EXCELLENCE 8500 E. STATE STREET ROCKFORD, IL 61108	NONE	PUBLIC	SOCIAL WELFARE	23,000.
ONE BODY COLLABORATIVE P.O. BOX 1633 ROCKFORD, IL 61110	NONE	PUBLIC	SOCIAL WELFARE	20,000.
RAMP 202 MARKET STREET ROCKFORD, IL 61107	NONE	PUBLIC	SOCIAL WELFARE	5,000.
ROCK HOUSE KIDS 1325 7TH STREET ROCKFORD, IL 61104	NONE	PUBLIC	SOCIAL WELFARE	5,944.
SPECTRUM SCHOOL 4848 TURNER STREET ROCKFORD, IL 61107	NONE	PUBLIC	EDUCATION	15,000.
Total from continuation sheets				691,557.

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
BOYS & GIRLS CLUB 1040 N. 2ND STREET ROCKFORD, IL 61107	NONE	PUBLIC	SOCIAL WELFARE	40,000.
ANDERSON JAPANESE GARDENS 318 SPRING CREEK ROAD ROCKFORD, IL 61107	NONE	PUBLIC	SOCIAL WELFARE	5,000.
ANGELIC ORGANICS 110 N. 1ST STREET ROCKFORD, IL 61107	NONE	PUBLIC	SOCIAL WELFARE	5,000.
CHILDREN'S HANDS ON MUSEUM 1233 W. GALENA STREET FREEPORT, IL 61032	NONE	PUBLIC	SOCIAL WELFARE	3,500.
JEREMIAH DEVELOPMENT 318 N. CHURCH STREET ROCKFORD, IL 61103	NONE	PUBLIC	SOCIAL WELFARE	3,000.
KANTOREI 3300 RURAL STREET ROCKFORD, IL 61107	NONE	PUBLIC	SOCIAL WELFARE	15,000.
REMEDIES 220 EASTON PARKWAY ROCKFORD, IL 61108	NONE	PUBLIC	SOCIAL WELFARE	2,800.
ROCKFORD PROMISE 1643 N. ALPINE ROAD ROCKFORD, IL 61107	NONE	PUBLIC	EDUCATION	40,000.
SEVERSON DELLS 8786 MONTAGUE ROAD ROCKFORD, IL 61102	NONE	PUBLIC	SOCIAL WELFARE	10,000.
TINKER SWISS COTTAGE 411 KENT STREET ROCKFORD, IL 61102	NONE	PUBLIC	SOCIAL WELFARE	3,722.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)				
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)				
YMCA OF ROCK RIVER VALLEY 200 Y BOULEVARD ROCKFORD, IL 61107	NONE	PUBLIC	SOCIAL WELFARE	33,333.
STEPHENS COLLEGE 1200 E. BROADWAY COLUMBIA, MO 65215	NONE	PUBLIC	EDUCATION	33,333.
LIFESCAPE COMMUNITY SERVICES 705 KILBURN AVENUE ROCKFORD, IL 61101	NONE	PUBLIC	SOCIAL WELFARE	33,333.
STARLIGHT THEATER 3301 N. MULFORD ROAD ROCKFORD, IL 61114	NONE	PUBLIC	SOCIAL WELFARE	33,333.
CRUSADER COMMUNITY HEALTH FOUNDATION 1200 W. STATE STREET ROCKFORD, IL 61102	NONE	PUBLIC	SOCIAL WELFARE	83,333.
CARPENTER'S PLACE 1149 RAILROAD AVENUE ROCKFORD, IL 61104	NONE	PUBLIC	SOCIAL WELFARE	83,333.
ROCKFORD RESCUE MISSION 715 W. STATE STREET ROCKFORD, IL 61102	NONE	PUBLIC	SOCIAL WELFARE	83,333.
Total from continuation sheets				

FORM 990-PF

DIVIDENDS AND INTEREST FROM SECURITIES

STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
LAZARD, LTD	61.	0.	61.	61.	
RAYMOND JAMES A/C#210AX025	2,213.	0.	2,213.	2,213.	
RAYMOND JAMES A/C#277T4780	944.	0.	944.	944.	
RAYMOND JAMES A/C#2862W165	2,401.	0.	2,401.	2,401.	
RAYMOND JAMES A/C#340WL110	121,551.	1,190.	120,361.	120,361.	
RAYMOND JAMES A/C#348HF227	2.	0.	2.	2.	
RAYMOND JAMES A/C#394Y8598	20,367.	996.	19,371.	19,371.	
RAYMOND JAMES A/C#51972471	3,007.	0.	3,007.	3,007.	
RAYMOND JAMES A/C#527TD553	879.	0.	879.	879.	
RAYMOND JAMES A/C#5349T188	881.	0.	881.	881.	
RAYMOND JAMES A/C#626W1570	14,673.	0.	14,673.	14,673.	
RAYMOND JAMES A/C#6704P908	2,215.	0.	2,215.	2,215.	
RAYMOND JAMES A/C#77128837	31,475.	0.	31,475.	31,475.	
RAYMOND JAMES A/C#78875792	978.	0.	978.	978.	
RAYMOND JAMES A/C#800X9753	376.	0.	376.	376.	
RAYMOND JAMES A/C#8433L926	876.	0.	876.	876.	
RAYMOND JAMES A/C#892MD110	669.	0.	669.	669.	
TO PART I, LINE 4	203,568.	2,186.	201,382.	201,382.	

FORM 990-PF

OTHER INCOME

STATEMENT 2

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
DEFERRED INCOME PAYMENT	216.	216.	
TOTAL TO FORM 990-PF, PART I, LINE 11	216.	216.	

FORM 990-PF

ACCOUNTING FEES

STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING/TAX PREP FEES	15,453.	0.		0.
TO FORM 990-PF, PG 1, LN 16B	15,453.	0.		0.

FORM 990-PF

OTHER PROFESSIONAL FEES

STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MANAGEMENT FEES	87,360.	87,360.		0.
TO FORM 990-PF, PG 1, LN 16C	87,360.	87,360.		0.

FORM 990-PF

TAXES

STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES ON INVESTMENTS	5,559.	5,559.		0.
EXCISE TAXES	96,119.	0.		0.
TO FORM 990-PF, PG 1, LN 18	101,678.	5,559.		0.

FORM 990-PF

OTHER EXPENSES

STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MEETING EXPENSES	931.	0.		0.
TO FORM 990-PF, PG 1, LN 23	931.	0.		0.

FORM 990-PF

OTHER INVESTMENTS

STATEMENT 7

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
SEE ATTACHED STATEMENT A/C#77128837	COST	947,010.	929,448.
SEE ATTACHED STATEMENT A/C#626W1570	COST	968,382.	969,107.
SEE ATTACHED STATEMENT A/C#394Y8598	COST	954,837.	948,075.
SEE ATTACHED STATEMENT A/C#527TD553	COST	66,000.	65,838.
SEE ATTACHED STATEMENT A/C#892MD110	COST	66,000.	65,929.
SEE ATTACHED STATEMENT A/C#800X9753	COST	66,000.	65,796.
SEE ATTACHED STATEMENT A/C#8433L926	COST	66,000.	65,838.
SEE ATTACHED STATEMENT A/C#5349T188	COST	66,000.	65,838.
SEE ATTACHED STATEMENT A/C#277T4780	COST	166,000.	165,488.
SEE ATTACHED STATEMENT A/C#6704P908	COST	166,000.	165,592.
SEE ATTACHED STATEMENT A/C#210AX025	COST	166,000.	165,592.
SEE ATTACHED STATEMENT A/C#340WL110	COST	5,666,883.	5,436,370.
TOTAL TO FORM 990-PF, PART II, LINE 13		9,365,112.	9,108,911.

FORM 990-PF

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

STATEMENT 8

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

DAN LOESCHER
6845 WEAVER ROAD, SUITE 200
ROCKFORD, IL 61114

TELEPHONE NUMBER

815-637-9584

EMAIL ADDRESS

KJELLSTROMFDN@LAWALTH.COM

FORM AND CONTENT OF APPLICATIONS

ORGANIZATIONS ARE REQUIRED TO COMPLETE THE GRANT APPLICATION AND INCLUDE SPECIFIED ADDITIONAL SUPPORTING INFORMATION.

ANY SUBMISSION DEADLINES

GRANT APPLICATIONS ARE REVIEWED THREE TIMES A YEAR.

RESTRICTIONS AND LIMITATIONS ON AWARDS

NONE

Application for Automatic Extension of Time To File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ **File a separate application for each return.**
▶ **Go to www.irs.gov/Form8868 for the latest information.**

Electronic filing (e-file). You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

	Enter filer's identifying number	
Type or print	Name of exempt organization or other filer, see instructions. THE KJELLSTROM FAMILY FOUNDATION	Employer identification number (EIN) or 20-6368876
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 6845 WEAVER ROAD, NO. 200	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. ROCKFORD, IL 61114	

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 | 4

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

DAN G. LOESCHER

- The books are in the care of ▶ **6845 WEAVER ROAD, SUITE 200 - ROCKFORD, IL 61114**
Telephone No. ▶ **815-637-9584** Fax No. ▶ **815-637-9588**
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 6-month extension of time until **NOVEMBER 15, 2019**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ calendar year **2018** or
▶ tax year beginning _____, and ending _____.

2 If the tax year entered in line 1 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period

3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	4,491.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	48,760.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA **For Privacy Act and Paperwork Reduction Act Notice, see instructions.**

Form **8868** (Rev. 1-2019)

**MAIL TO: DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE CENTER
OGDEN, UT 84201-0045**