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

2009

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

For calendar year 2009, or tax year beginning _____, and ending _____

G Check all that apply: Initial return Initial return of a former public charity Final return
 Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions	Name of foundation ROSE FRANCIS FOUNDATION	A Employer identification number 26-3074723		
	Number and street (or P O box number if mail is not delivered to street address) 1010 W. MINNEHAHA PARKWAY	Room/suite	B Telephone number 612-766-7923	
	City or town, state, and ZIP code MINNEAPOLIS, MN 55419	C If exemption application is pending, check here ► <input type="checkbox"/> 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"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► <input type="checkbox"/>		
I Fair market value of all assets at end of year (from Part II, col. (c), line 16)	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____			
► \$ 3,415,339. (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))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income
1 Contributions, gifts, grants, etc., received				
2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B Interest on savings and temporary cash investments		9,874.	9,874.	STATEMENT 1
3 Dividends and interest from securities		54,763.	54,763.	STATEMENT 2
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10 Gross sales price for all assets on line 6a		153,835.		
6b Net gain or (loss) from sale of assets not on line 10 Gross sales price for all assets on line 6a		1,360,615.		
7 Capital gain net income (from Part IV, line 2)			153,835.	
8 Net short-term capital gain				
9 Income modifications Gross sales less returns and allowances				
10a Gross profit or (loss)				
b Less Cost of goods sold				
c Gross profit or (loss)				
11 Other income				
12 Total Add lines 1 through 11		218,472.	218,472.	0.
13 Compensation of officers, directors, trustees, etc		0.	0.	0.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees		STMT 3	91.	0.
b Accounting fees		STMT 4	1,750.	0.
c Other professional fees		STMT 5	14,635.	0.
17 Interest				
18 Taxes		STMT 6	1,225.	6.
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conference, and meetings				
22 Printing and publications				
23 Other expenses		STMT 7	18.	0.
24 Total operating and administrative expenses. Add lines 16 through 23			17,719.	14,641.
25 Contributions, gifts, grants paid			155,000.	155,000.
26 Total expenses and disbursements.			172,719.	14,641.
Add lines 24 and 25				
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements			45,753.	
b Net investment income (if negative, enter -0-)			203,831.	
c Adjusted net income (if negative, enter -0-)				0.

10/14

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
	1	Cash - non-interest-bearing		319,772.
	2	Savings and temporary cash investments	2,142,396.	
	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	STMT 8	0. 173,859. 171,345.
	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 9	886,564. 2,581,082. 2,924,222.
	14	Land, buildings, and equipment: basis ►		
		Less accumulated depreciation ►		
	15	Other assets (describe ►)		
	16	Total assets (to be completed by all filers)		3,028,960. 3,074,713. 3,415,339.
	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.
		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		3,028,960. 3,074,713.
	30	Total net assets or fund balances		3,028,960. 3,074,713.
	31	Total liabilities and net assets/fund balances		3,028,960. 3,074,713.

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	3,028,960.
2	Enter amount from Part I, line 27a	2	45,753.
3	Other increases not included in line 2 (itemize) ►	3	0.
4	Add lines 1, 2, and 3	4	3,074,713.
5	Decreases not included in line 2 (itemize) ►	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	3,074,713.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)			(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a					
b	SEE ATTACHED STATEMENT				
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	1,360,615.		1,206,780.		153,835.
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69					
	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
a					
b					
c					
d					
e					153,835.
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		153,835.
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	{ 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 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))
2008	750.	2,460,782.	.000305
2007			
2006			
2005			
2004			
2 Total of line 1, column (d)			.000305
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			.000305
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5			3,114,803.
5 Multiply line 4 by line 3			950.
6 Enter 1% of net investment income (1% of Part I, line 27b)			2,038.
7 Add lines 5 and 6			2,988.
8 Enter qualifying distributions from Part XII, line 4			156,882.

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.	(attach copy of letter if necessary-see instructions)	1	2,038.
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			
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-)			
3	Add lines 1 and 2		2	0.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		3	2,038.
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		4	0.
6	Credits/Payments:		5	2,038.
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a		600.
b	Exempt foreign organizations - tax withheld at source	6b		
c	Tax paid with application for extension of time to file (Form 8868)	6c		
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments. Add lines 6a through 6d		7	600.
8	Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached		8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed		9	1,438.
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid		10	
11	Enter the amount of line 10 to be: Credited to 2010 estimated tax ►		11	
		Refunded ►		

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
1b	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>	X	
1c	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. ► \$ <u>0.</u> (2) On foundation managers. ► \$ <u>0.</u>		
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ <u>0.</u>		
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>	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? <i>If "Yes," attach a conformed copy of the changes</i>	X	
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year? 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? <i>If "Yes," attach the statement required by 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? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► <u>MN</u>		
8b	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>	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 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>	X	
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	X	

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions) 11 **X**

12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008? 12 **X**

13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? 13 **X**

Website address ► **N/A**

14 The books are in care of ► **DAVID NASSIF** Telephone no. ► **612-824-9475**
 Located at ► **1010 W. MINNEHAHA PKWY, MINNEAPOLIS, MN** ZIP+4 ► **55419**

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** ►

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? 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 page 20 of the instructions)?

Organizations relying on a current notice regarding disaster assistance check here ► **N/A****N/A****1b**

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 2009?

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 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? 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.)

c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.

N/A**2b**

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 2009 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 2009) **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 2009? **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))?	<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 509(a)(1), (2), or (3), or section 4940(d)(2)?	<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

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
MONICA NASSIF 1010 W. MINNEHAHA PKWY MINNEAPOLIS, MN 55419	DIRECTOR, VICE PRESIDENT 0.00	0.	0.	0.
DAVID NASSIF 1010 W. MINNEHAHA PKWY MINNEAPOLIS, MN 55419	DIRECTOR, PRESIDENT 0.00	0.	0.	0.
AUNDREA NASSIF 1010 W. MINNEHAHA PKWY MINNEAPOLIS, MN 55419	DIRECTOR, TREASURER 0.00	0.	0.	0.
CALLA NASSIF 1010 W. MINNEHAHA PKWY MINNEAPOLIS, MN 55419	DIRECTOR, SECRETARY 0.00	0.	0.	0.

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

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

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

 0

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Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**
3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

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

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

►

0

Part IX-A **Summary of Direct Charitable Activities**

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

Expenses

1	N/A	
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		
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	2,020,625.
b Average of monthly cash balances	1b	1,141,612.
c Fair market value of all other assets	1c	
d Total (add lines 1a, b, and c)	1d	3,162,237.
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	3,162,237.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	47,434.
5 Net value of noncharitable-use assets Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,114,803.
6 Minimum investment return Enter 5% of line 5	6	155,740.

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	155,740.
2a Tax on investment income for 2009 from Part VI, line 5	2a	2,038.
b Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	2,038.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	153,702.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	153,702.
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	153,702.

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	156,882.
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	156,882.
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	2,038.
6 Adjusted qualifying distributions Subtract line 5 from line 4	6	154,844.

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 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				153,702.
2 Undistributed income, if any, as of the end of 2009			61,032.	
a Enter amount for 2008 only				
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2009 from Part XII, line 4: ► \$ 156,882.			61,032.	
a Applied to 2008, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2009 distributable amount				95,850.
e Remaining amount distributed out of corpus		0.		
5 Excess distributions carryover applied to 2009 (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:	0.			
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
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 2008. Subtract line 4a from line 2a. Taxable amount - see instr.				0.
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				57,852.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009				

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 2009, enter the date of the ruling				►			
b	Check box to indicate whether the foundation is a private operating foundation described in section				<input type="checkbox"/>	4942(j)(3) or	<input type="checkbox"/>	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							
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 the 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 of the person to whom applications should be addressed:

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	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)				
<i>a Paid during the year</i>				
<i>b Approved for future payment</i>				
SEE STATEMENT 11				
Total			► 3a	155,000.
<i>b Approved for future payment</i>				
NONE				
Total			► 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514	(e) Related or exempt function income
	(a) Business code	(b) Amount		
1 Program service revenue:				
a				
b				
c				
d				
e				
f				
g Fees and contracts from government agencies				
2 Membership dues and assessments				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities			14	9,874.
5 Net rental income or (loss) from real estate:			14	54,763.
a Debt-financed property				
b Not debt-financed property				
6 Net rental income or (loss) from personal property				
7 Other investment income				
8 Gain or (loss) from sales of assets other than inventory			18	153,835.
9 Net income or (loss) from special events				
10 Gross profit or (loss) from sales of inventory				
11 Other revenue:				
a				
b				
c				
d				
e				
12 Subtotal. Add columns (b), (d), and (e)		0.		218,472.
13 Total Add line 12, columns (b), (d), and (e)			13	218,472.
(See worksheet in line 13 instructions to verify calculations.)				

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

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

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

a Transfers from the reporting foundation to a noncharitable exempt organization of:

(1) Cash

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

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

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

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		

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 or fiduciary) is based on all information of which preparer has any knowledge.

Signature of officer or trustee		Date	Title	
Paid Preparer's Use Only		Preparer's signature ► <i>Linda Graupman CPA</i> LINDA GRAUPMAN, CPA		Date 05/10/10
Firm's name (or yours if self-employed), address, and ZIP code		BAKER TILLY VIRCHOW KRAUSE, LLP 225 S. 6TH ST. STE. 2300 MINNEAPOLIS, MN 55402		Check if self- employed ► <input type="checkbox"/> Preparer's identifying number <i>P00423480</i>
				EIN ► Phone no. <i>(612) 876-4500</i>

ROSE FRANCIS 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 M&I CAPITAL GAIN - SCH CG-1				VARIOUS	VARIOUS
b CREDIT SUISSE CAPITAL GAIN - SCH CG-2				VARIOUS	VARIOUS
c 20 SH BP PLC				08/17/09	09/16/09
d 145 SH TEEKAY CORP				08/17/09	10/15/09
e 0.471 SH KINDER MOGAN MGMT				08/17/09	11/13/09
f 30 SH NOVARTIS				08/17/09	11/24/09
g 129 SH APTARGROUP			P	09/24/09	10/30/09
h CAPITAL GAINS DIVIDENDS					
i					
j					
k					
l					
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 404,329.		381,563.	22,766.		
b 944,694.		815,586.	129,108.		
c 1,090.		976.	114.		
d 3,631.		2,577.	1,054.		
e		21.	-21.		
f 1,653.		1,324.	329.		
g 4,583.		4,733.	-150.		
h 635.			635.		
i					
j					
k					
l					
m					
n					
o					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(I) 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			22,766.		
b			129,108.		
c			114.		
d			1,054.		
e			-21.		
f			329.		
g			-150.		
h			635.		
i					
j					
k					
l					
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	153,835.	
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	

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

SOURCE	AMOUNT
CREDIT SUISSE - ACCRUED INTEREST PAID	-659.
M&I TRUST COMPANY	10,533.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	9,874.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
CREDIT SUISSE	38,649.	635.	38,014.
M&I TRUST COMPANY	16,749.	0.	16,749.
TOTAL TO FM 990-PF, PART I, LN 4	55,398.	635.	54,763.

FORM 990-PF LEGAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	91.	0.	0.	91.
TO FM 990-PF, PG 1, LN 16A	91.	0.	0.	91.

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	1,750.	0.	0.	1,750.
TO FORM 990-PF, PG 1, LN 16B	1,750.	0.	0.	1,750.

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
INVESTMENT FEES	14,635.	14,635.	0.	0.
TO FORM 990-PF, PG 1, LN 16C	14,635.	14,635.	0.	0.

FORM 990-PF

TAXES

STATEMENT

6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MINNESOTA ANNUAL FEE	25.	0.	0.	25.
FEDERAL TAX	1,194.	0.	0.	0.
FOREIGN TAX	6.	6.	0.	0.
TO FORM 990-PF, PG 1, LN 18	1,225.	6.	0.	25.

FORM 990-PF

OTHER EXPENSES

STATEMENT

7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK FEES	18.	0.	0.	16.
TO FORM 990-PF, PG 1, LN 23	18.	0.	0.	16.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 8

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
CREDIT SUISSE USGO	X		173,859.	171,345.
TOTAL U.S. GOVERNMENT OBLIGATIONS			173,859.	171,345.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			173,859.	171,345.

FORM 990-PF OTHER INVESTMENTS STATEMENT 9

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
M&I SECURITIES	COST	0.	0.
M&I FIXED INCOME	COST	0.	0.
CREDIT SUISSE SECURITIES	COST	2,581,082.	2,924,222.
TOTAL TO FORM 990-PF, PART II, LINE 13		2,581,082.	2,924,222.

FORM 990-PF PART XV - LINE 1A STATEMENT 10
LIST OF FOUNDATION MANAGERS

NAME OF MANAGER

MONICA NASSIF
DAVID NASSIF

FORM 990-PF

GRANTS AND CONTRIBUTIONS
PAID DURING THE YEAR

STATEMENT 11

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
CHILDREN'S HOSPITAL INTEGRATIVE HEALTH CARE 2910 CENTRE POINTE DRIVE ROSEVILLE, MN 55113	N/A GENERAL OPERATING	PUBLIC CHARITY	50,000.
CARLSON SCHOOL OF MGMT 321 19TH AVE SOUTH, STE 4-300 MINNEAPOLIS, MN 55455	N/A GENERAL OPERATING	PUBLIC CHARITY	1,000.
DOWLING HIGH SCHOOL FOUNDATION 1400 BUFFALO ROAD WEST DES MOINES, IA 50265	N/A GENERAL OPERATING	PUBLIC CHARITY	5,000.
WOMEN WINNING 2324 W UNIVERSITY AVE, STE 120B ST PAUL, MN 55114	N/A GENERAL OPERATING	PUBLIC CHARITY	2,000.
MINNEAPOLIS PARKS FOUNDATION 3954 BRYANT AVE S MINNEAPOLIS, MN 55409	N/A GENERAL OPERATING	PUBLIC CHARITY	5,000.
2ND HARVEST HEARTLAND FOOD BANK 1140 GERVAIS AVE ST PAUL, MN 55109	N/A GENERAL OPERATING	PUBLIC CHARITY	10,000.
WALKER ARTS CENTER 1750 HENNEPIN AVE MINNEAPOLIS, MN 55403	N/A GENERAL OPERATING	PUBLIC CHARITY	25,000.
HOLY FAMILY SCHOOL INNER CITY YOUTH FOUNDATION 1265 E 9TH STREET DES MOINES, IA 50316	N/A GENERAL OPERATING	PUBLIC CHARITY	2,000.

ROSE FRANCIS FOUNDATION

26-3074723

PATCHWORK QUILT 3700 BRYANT AVE N MINNEAPOLIS, MN 55412	N/A GENERAL OPERATING	PUBLIC CHARITY	15,000.
UNIVERSITY OF IOWA FOUNDATION 1 WEST PARK ROAD IOWA CITY, IA 52244	N/A GENERAL OPERATING	PUBLIC CHARITY	25,000.
ST JOAN OF ARC CHURCH 4537 3RD AVE SOUTH MINNEAPOLIS , MN 55419	N/A GENERAL OPERATING	PUBLIC CHARITY	10,000.
ALLIANCE HOUSING 2211 CLINTON AVE S MINNEAPOLIS, MN 55404	N/A GENERAL OPERATING	PUBLIC CHARITY	5,000.
TOTAL TO FORM 990-PF, PART XV, LINE 3A			<hr/> 155,000. <hr/>

ROSE FRANCIS FOUNDATION INV AGY DJL-61R256019
Schedule D Detail of Short-term Capital Gains and Losses

Sch C6-1

Income and Expense Summary (continued)

Distributions	Current Period			Year-to-Date	
	Taxable	Non Taxable		Taxable	Non Taxable
Long - Term Capital Gain Distributions	634.58	0.00		634.58	0.00
Short - Term Capital Gain Distributions	- 2,618.43	0.00		- 2,618.43	0.00
Total Distributions	\$3,253.01	\$0.00		\$3,253.01	\$0.00

Accrued Interest Summary

Accrued Interest Paid	Current Period			Year-to-Date	
	Taxable	Non Taxable		Taxable	Non Taxable
U.S. Treasury Bond	0.00	0.00		668.34	0.00
Total Accrued Interest Paid	\$0.00	\$0.00		-\$668.34	\$0.00

Schedule of Realized Gains and Losses Year-to-Date

Position Data	Acquisition Date	Using Transaction	Description	Security Identifier	Quantity	Cost Basis	Proceeds	Realized Gain/Loss
Short-Term								
07/23/09	10/08/08	SELL	DAVIS NEW YORK VENTURE CLASS Y	DNVYX	1,233.184	33,000.00	33,566.23	566.23
07/23/09	11/17/08	SELL	DAVIS NEW YORK VENTURE CLASS Y	DNVYX	1,444.201	33,000.00	39,309.94	6,309.94
07/23/09	02/03/09	SELL	DAVIS NEW YORK VENTURE CLASS Y	DNVYX	1,531.323	33,000.00	41,681.32	8,681.32
07/23/09	03/11/09	SELL	DAVIS NEW YORK VENTURE CLASS Y	DNVYX	1,744.186	33,000.00	47,475.28	14,475.28
07/23/09	10/08/08	SELL	GOLDMAN SACHS LARGE CAP VALUE FUND	GSLIX	3,503.185	33,000.00	33,069.20	69.20
07/23/09	11/17/08	SELL	GOLDMAN SACHS LARGE CAP VALUE FUND	GSLIX	3,942.652	33,000.00	37,217.66	4,217.66
07/23/09	02/02/09	SELL	GOLDMAN SACHS LARGE CAP VALUE FUND	GSLIX	4,119.850	33,000.00	38,890.37	5,890.37
07/23/09	03/11/09	SELL	GOLDMAN SACHS LARGE CAP VALUE FUND	GSLIX	4,634.831	33,000.00	43,751.66	10,751.66
07/23/09	05/05/09	SELL	GOLDMAN SACHS LARGE CAP VALUE FUND	GSLIX	4,030.605	34,703.51	38,047.91	3,344.40
07/23/09	10/08/08	SELL	HARBOR INTERNATIONAL FUND	HAINX	370.028	16,000.00	17,268.17	1,268.17
07/23/09	11/17/08	SELL	HARBOR INTERNATIONAL FUND	HAINX	443.582	16,000.00	20,700.73	4,700.73
07/23/09	02/02/09	SELL	HARBOR INTERNATIONAL FUND	HAINX	465.793	16,000.00	21,737.25	5,737.25
07/23/09	03/11/09	SELL	HARBOR INTERNATIONAL FUND	HAINX	502.513	16,000.00	23,450.87	7,450.87

Sch-C6-2

Account Number: 201-350261

Par



PAR-02-ROLL

**Brokerage
Account Statement****Schedule of Realized Gains and Losses Year-to-Date (continued)**

Disposition	Acquisition Date	Using Date	Transaction Description	Security Identifier	Quantity	Cost Basis	Proceeds	Realized Gain/Loss
Short Term (continued)								
07/23/09	10/08/08	SELL	F-ROWE PRICE BLUE-CHIP GROWTH	TRBCK	1,281,056	33,000.00	36,433.23	3,433.23
07/23/09	11/17/08	SELL	F-ROWE PRICE BLUE-CHIP GROWTH	TRBCK	1,521,438	33,000.00	43,269.70	10,269.70
07/23/09	02/02/09	SELL	F-ROWE PRICE BLUE-CHIP GROWTH	TRBCK	1,475,850	33,000.00	41,973.17	8,973.17
07/23/09	03/11/09	SELL	F-ROWE PRICE BLUE-CHIP GROWTH	TRBCK	1,571,429	33,000.00	44,691.44	11,691.44
07/23/09	05/05/09	SELL	F-ROWE PRICE BLUE-CHIP GROWTH	TRBCK	900,381	23,375.88	25,606.84	2,232.96
07/23/09	06/23/09	SELL	AMVEST CORE SMALL CAP-VALUE FUND	WTSVX	7,910,136	Please provide	66,558.21	N/A
11/27/09	07/23/09	SELL	*PIMCO SHORT-TERM-FUND (ADMIN-SHARES)	PSFAX	25,380,711	246,197.82	249,995.00	3,797.18
Total Short Term						\$945,694.18	\$1,252,900.76	\$147,206.76
Total Short Term and Long Term								
						\$945,694.18	\$147,206.76	\$12,910,787.87

The Schedule of Realized Gains and Losses is not reported to the IRS. This Schedule may not reflect all cost basis adjustments necessary for tax reporting purposes, for example, it does not reflect disallowed losses from wash-sale events. Adjustments to cost basis may have been made for prior income received and subsequently reclassified by the issuer as a return of capital. Typically these adjustments are received after year-end and there may be differences in cost basis reflected on your monthly client brokerage statement at year-end versus any subsequent reports or online displays you may have available to you. Return of capital information has been obtained from sources we believe to be reliable. When you report your cost basis on your tax return, it should be verified with your own records. In particular, there may be other adjustments which you need to make and you should consult with your tax advisor in order to properly report your gain or loss for tax purposes. Pershing shall not be responsible for any mistakes, representations, or warranties with respect to your use and reliance on the information provided herein for such reporting.

Realized gains and losses are not reported for securities for which cost basis or proceeds are not available.

Sch C6 - 2
Account Number: 201-350261
ROSE FRANCIS FOUNDATION

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Clearing Through Pershing LLC, a subsidiary of The Bank of New York Mellon Corporation
Member FINRA, NYSE, SIPC
PAR-02-ROLL

