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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

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

WALLESTAD FOUNDATION

Number and street (or P.O. box number if mail is not delivered to street address)

730 SECOND AVE SOUTH

Room/suite

415

City or town, state, and ZIP code

MINNEAPOLIS, MN 55402

A Employer identification number

36-3485265

B Telephone number

612-288-2233

C If exemption application is pending, check here ☐D 1. Foreign organizations, check here ☐2. Foreign organizations meeting the 85% test, check here and attach computation ☐E If private foundation status was terminated under section 507(b)(1)(A), check here ☐F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

H Check type of organization: ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ☐ Accounting method: ☒ Cash ☐ Accrual
☐ Other (specify) _____

\$ 7,102,058. (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

(d) Disbursements for charitable purposes (cash basis only)

1 Contributions, gifts, grants, etc., received

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

5a Gross rents

b Net rental income or (loss)

6a Net gain or (loss) from sale of assets not on line 10

b Gross sales price for all assets on line 6a 946,290.

7 Capital gain net income (from Part IV, line 2)

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

12 Total. Add lines 1 through 11

13 Compensation of officers, directors, trustees, etc

14 Other employee salaries and wages

15 Pension plans, employee benefits

16a Legal fees STMT 4

b Accounting fees STMT 5

c Other professional fees STMT 6

17 Interest

18 Taxes STMT 7

19 Depreciation and depletion

20 Occupancy

21 Travel, conferences, and meetings

22 Printing and publications

23 Other expenses STMT 8

24 Total operating and administrative expenses. Add lines 13 through 23

25 Contributions, gifts, grants paid

26 Total expenses and disbursements. Add lines 24 and 25

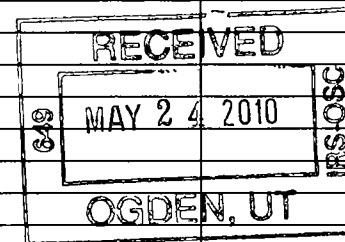
27 Subtract line 26 from line 12:

a Excess of revenue over expenses and disbursements

b Net investment income (if negative, enter -0-)

c Adjusted net income (if negative, enter -0-)

N/A



SCANNED MAY 27 2010

Operating and Administrative Expenses

Part II Balance Sheets		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	487,822.	817,667.	817,667.
	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 ▶ 43,000.			
	Less: allowance for doubtful accounts ▶	43,000.	43,000.	43,000.
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 9	4,331,985.	3,978,756.	3,834,081.
	c Investments - corporate bonds STMT 10	2,746,683.	2,503,266.	2,380,437.
Liabilities	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 11	25,648.	26,913.	26,873.
	14 Land, buildings, and equipment basis ▶ 7,079.			
	Less accumulated depreciation STMT 12 ▶ 7,079.			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers)	7,635,138.	7,369,602.	7,102,058.
	17 Accounts payable and accrued expenses			
	18 Grants payable			
Net Assets or Fund Balances	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 and complete lines 24 through 26 and lines 30 and 31. ▶ <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>			
	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	7,635,138.	7,369,602.	
	30 Total net assets or fund balances	7,635,138.	7,369,602.	
	31 Total liabilities and net assets/fund balances	7,635,138.	7,369,602.	

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	7,635,138.
2 Enter amount from Part I, line 27a	2	-265,536.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	7,369,602.
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	7,369,602.

Part IV Capital Gains and Losses for Tax on Investment Income

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

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e 946,290.		1,045,215.	-98,925.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) 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			
b			
c			
d			
e			-98,925.

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	-98,925.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	{ }	3	N/A

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see 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	842,752.	7,734,150.	.108965
2007	1,113,973.	8,976,204.	.124103
2006	1,232,304.	9,250,261.	.133218
2005	1,418,459.	9,028,040.	.157117
2004	1,931,033.	8,829,586.	.218700

2 Total of line 1, column (d)	2	.742103
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.148421
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	5,239,988.
5 Multiply line 4 by line 3	5	777,724.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	2,488.
7 Add lines 5 and 6	7	780,212.
8 Enter qualifying distributions from Part XII, line 4	8	415,435.

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 type="checkbox"/> and enter 1% of Part I, line 27b		1	4,976.
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	4,976.
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	4,976.
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	798.	
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	54.	
7 Total credits and payments. Add lines 6a through 6d	7	852.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	106.	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	4,230.	
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 <input type="checkbox"/> Refunded <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> MN		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	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? Website address ► N/A	13	X	
14	The books are in care of ► JAY BENNETT Telephone no. ► 612-288-2233 Located at ► 730 SECOND AVE SOUTH, SUITE 415, MINNEAPOLIS, MN ZIP+4 ► 55402			
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.

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ►	1b	X
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?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? If "Yes," list the years ►	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)	N/A	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. ►		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If "Yes," did it have excess business holdings in 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	3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?	4b	X

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

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

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

N/A

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?

N/A

☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

6b

X

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

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

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

☐ Yes ☒ No

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

N/A

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
JAY L. BENNETT	PRESIDENT & CEO			
730 SECOND AVE SOUTH, SUITE 415				
MINNEAPOLIS, MN 55402	35.00	120,000.	0.	0.
ANDY BENNETT	DIRECTOR			
730 SECOND AVE SOUTH, SUITE 415				
MINNEAPOLIS, MN 55402	2.00	0.	0.	0.
WILLIAM DUNKLEY	DIRECTOR			
730 SECOND AVE SOUTH, SUITE 415				
MINNEAPOLIS, MN 55402	2.00	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

Form 990-PF (2009)

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	4,622,313.
b	Average of monthly cash balances	1b	654,472.
c	Fair market value of all other assets	1c	43,000.
d	Total (add lines 1a, b, and c)	1d	5,319,785.
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	5,319,785.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	79,797.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	5,239,988.
6	Minimum investment return. Enter 5% of line 5	6	261,999.

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	261,999.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	4,976.
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	4,976.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	257,023.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	257,023.
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	257,023.

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	415,435.
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	415,435.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	415,435.

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				257,023.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004	1,104,313.			
b From 2005	970,679.			
c From 2006	781,997.			
d From 2007	688,799.			
e From 2008	460,717.			
f Total of lines 3a through e	4,006,505.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ \$	415,435.			
a Applied to 2008, 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 2009 distributable amount				257,023.
e Remaining amount distributed out of corpus	158,412.			
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:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	4,164,917.			
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				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	1,104,313.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	3,060,604.			
10 Analysis of line 9:				
a Excess from 2005	970,679.			
b Excess from 2006	781,997.			
c Excess from 2007	688,799.			
d Excess from 2008	460,717.			
e Excess from 2009	158,412.			

Part XV	Supplementary Information (continued)
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3 Grants and Contributions Paid During the Year or Approved for Future Payment

Grants and Contributions Paid During the Year		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
Recipient	Name and address (home or business)				
a Paid during the year VARIOUS - SEE ATTACHED		NONE	501C3	VARIOUS	266,934.
Total					266,934.
b Approved for future payment NONE					
Total					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	(c) Exclu- sion code	(d) 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			14	90,395.		
4 Dividends and interest from securities			14	212,944.		
5 Net rental income or (loss) from real estate:						
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	-98,925.		
9 Net income or (loss) from special events						
10 Gross profit or (loss) from sales of inventory						
11 Other revenue:						
a OTHER INVESTMENT INCOME			01	7,586.		
b _____						
c _____						
d _____						
e _____						
12 Subtotal. Add columns (b), (d), and (e)		0.		212,000.		0.
13 Total. Add line 12, columns (b), (d), and (e)						212,000.

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

[illegible]

Part XVII

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

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

[illegible]

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

- b** If "Yes," complete the following schedule.

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

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

Sign Here

**Paid
Preparer's
Use Only**Preparer's
signature

Firm's name (or yours if self-employed),
address, and ZIP code

KERN, DEWENTER, VIERE, LTD.

3800 AMERICAN BLVD WEST, SUITE 1000
BLOOMINGTON, MN 55431-4423

Date _____

5-6-2010

☐ Check if self-employed

Preparer's identifying number	
-------------------------------	--

FIN ►

Phone no. 952-563-6800

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	900 SHS ZENITH NATL INS CORP	P	VARIOUS	03/26/09
b	400 SHS DIAMOND OFFSHORE DRILLING INC	P	11/28/08	04/08/09
c	2100 SHS PERKINELMER INC	P	12/16/08	04/08/09
d	1100 SHS NEW YORK CMNTY BANCORP INC	P	12/05/08	04/08/09
e	100 SHS LOCKHEED MARTIN CORP	P	06/15/09	09/08/09
f	500 SHS TJX COS INC NEW	P	12/12/08	09/14/09
g	500 SHS KIMBERLY-CLARK CORP COM	P	11/28/08	09/14/09
h	100 SHS PHILIP MORRIS INTERNATIONAL IN	P	12/05/08	09/14/09
i	100 SHS ELI LILLY & CO COM	P	12/15/08	09/14/09
j	100 SHS TRAVELERS COS INC	P	03/26/09	09/14/09
k	300 SHS UNION PACIFIC CORP	P	12/04/08	09/14/09
l	500 SHS INTEL CORPORATION	P	12/05/08	11/23/09
m	200 SHS LUFKIN INDS INC	P	04/08/09	12/30/09
n	500 SHS KAYNE ANDERSON MLP INVT CO	P	01/09/07	04/08/09
o	1500 SHS MICROSOFT CORP COM	P	01/06/94	04/08/09

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 22,802.		27,216.	-4,414.
b 27,602.		29,313.	-1,711.
c 28,029.		27,388.	641.
d 11,184.		14,023.	-2,839.
e 7,433.		8,235.	-802.
f 18,445.		9,874.	8,571.
g 28,996.		28,823.	173.
h 4,757.		3,946.	811.
i 3,312.		5,183.	-1,871.
j 4,901.		4,039.	862.
k 18,853.		14,222.	4,631.
l 9,722.		6,258.	3,464.
m 14,999.		7,506.	7,493.
n 9,462.		12,860.	-3,398.
o 29,102.		18,930.	10,172.

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			-4,414.
b			-1,711.
c			641.
d			-2,839.
e			-802.
f			8,571.
g			173.
h			811.
i			-1,871.
j			862.
k			4,631.
l			3,464.
m			7,493.
n			-3,398.
o			10,172.

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

2

3

Part IV. Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	400 SHS GENERAL DYNAMICS CORPORATION	P	01/22/07	06/15/09
b	300 SHS COSTCO WHSL CORP NEW	P	01/09/07	06/15/09
c	200 SHS EQT CORPORATION	P	11/09/05	09/08/09
d	500 SHS GENERAL ELECTRIC	P	01/06/94	09/08/09
e	300 SHS AUTOMATIC DATA PROCESSING INC	P	01/09/07	09/08/09
f	600 SHS AT&T INC	P	10/31/07	09/08/09
g	100 SHS OCCIDENTAL PETROLEUM CORP	P	06/10/03	09/08/09
h	400 SHS PROCTER & GAMBLE CO COM	P	08/20/02	09/08/09
i	400 SHS MICROSOFT CORP COM	P	01/06/94	09/08/09
j	200 SHS ABBOTT LABORATORIES	P	01/09/07	09/08/09
k	300 SHS MURPHY OIL CORP COM	P	06/10/03	09/08/09
l	450 SHS UNITED PARCEL SVC INC	P	05/19/08	09/08/09
m	200 SHS ACE LIMITED	P	01/22/07	09/08/09
n	400 SHS AT&T INC	P	VARIOUS	09/08/09
o	13000 SHS SIT DIVIDEND GROWTH FD #15	P	10/11/05	09/11/09

(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 23,136.		31,508.	-8,372.
b 13,855.		16,122.	-2,267.
c 8,035.		7,601.	434.
d 7,235.		7,718.	-483.
e 11,608.		13,664.	-2,056.
f 15,482.		21,777.	-6,295.
g 7,455.		1,877.	5,578.
h 21,561.		19,251.	2,310.
i 9,777.		5,048.	4,729.
j 9,139.		10,069.	-930.
k 17,537.		8,330.	9,207.
l 24,198.		32,178.	-7,980.
m 10,220.		11,637.	-1,417.
n 10,321.		14,518.	-4,197.
o 139,360.		146,641.	-7,281.

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			-8,372.
b			-2,267.
c			434.
d			-483.
e			-2,056.
f			-6,295.
g			5,578.
h			2,310.
i			4,729.
j			-930.
k			9,207.
l			-7,980.
m			-1,417.
n			-4,197.
o			-7,281.

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

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	100 SHS MONSANTO CO NEW	P	02/08/06	09/14/09
b	1075 SHS VODAFONE GROUP PLC NEW	P	11/04/98	09/14/09
c	100 SHS SCHLUMBERGER LIMITED COM	P	09/29/04	09/14/09
d	200 SHS WELLS FARGO & CO NEW	P	04/23/01	09/14/09
e	1200 SHS ASPEN INSURANCE HOLDIN USD	P	01/10/07	09/14/09
f	200 SHS MCKESSON CORPORATION	P	01/09/07	09/14/09
g	400 SHS MICROSOFT CORP COM	P	01/06/94	09/14/09
h	300 SHS ELI LILLY & CO COM	P	VARIOUS	09/14/09
i	100 SHS DEERE & COMPANY	P	01/09/07	09/14/09
j	400 SHS ABBOTT LABORATORIES	P	01/09/07	09/14/09
k	200 SHS EQT CORPORATION	P	11/10/05	09/14/09
l	100 SHS ASPEN INSURANCE HOLDIN USD	P	01/10/07	09/14/09
m	100 SHS LOCKHEED MARTIN CORP	P	05/19/08	11/23/09
n	300 SHS MARATHON OIL CORP	P	01/09/07	11/23/09
o	800 SHS KAYNE ANDERSON MLP INVT CO	P	VARIOUS	11/23/09

(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 7,785.		4,252.	3,533.
b 24,794.		17,436.	7,358.
c 5,976.		3,350.	2,626.
d 5,580.		2,809.	2,771.
e 31,913.		31,145.	768.
f 11,639.		10,259.	1,380.
g 9,998.		5,048.	4,950.
h 9,937.		15,549.	-5,612.
i 4,314.		4,566.	-252.
j 18,925.		20,138.	-1,213.
k 8,518.		7,601.	917.
l 2,659.		2,595.	64.
m 7,709.		11,017.	-3,308.
n 10,129.		13,075.	-2,946.
o 19,390.		19,423.	-33.

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			3,533.
b			7,358.
c			2,626.
d			2,771.
e			768.
f			1,380.
g			4,950.
h			-5,612.
i			-252.
j			-1,213.
k			917.
l			64.
m			-3,308.
n			-2,946.
o			-33.

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

Part IV. Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	100 SHS JOHNSON & JOHNSON COM	P	04/21/03	11/23/09
b	400 SHS KEYNE ANDERSON MLP INVT CO	P	06/12/07	12/15/09
c	300 SHS MURPHY OIL CORP COM	P	06/10/03	09/14/09
d	ALTAS ENERGY RESOURCES LLC - MERGER	P	VARIOUS	10/02/09
e	KAYNE ANDERSON - RETURN OF CAPITAL	P	VARIOUS	VARIOUS
f	SIT BOND FUND LLC - K-1	P		
g	SIT BOND FUND LLC - K-1	P		
h	SIT OPPORTUNITY BOND FUND, LLC - K-1	P		
i	SIT OPPORTUNITY BOND FUND, LLC - K-1	P		
j	PUNCH MICRO CAP PARTNERS, LLC - K-1	P		
k	PUNCH MICRO CAP PARTNERS, LLC - K-1	P		
l	451 SHS CPT HOLDING, INC - WORTHLESS STOCK	P	VARIOUS	11/20/09
m	170 SHS COMCAST CORP NEW	P	11/26/08	12/14/09
n	150 SHS DEUTSCHE BK CONTINGENT CAP	P	02/11/08	05/22/09
o	100 SHS DUKE ENERGY CORP	P	07/06/07	08/06/09

(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 6,297.		5,511.	786.
b 10,394.		9,712.	682.
c 18,236.		8,330.	9,906.
d 15,646.			15,646.
e 6,116.		2,578.	3,538.
f 11,043.			11,043.
g		92,479.	-92,479.
h		18,566.	-18,566.
i		54,401.	-54,401.
j 24,385.			24,385.
k 4,207.			4,207.
l		451.	-451.
m 4,220.		2,958.	1,262.
n 2,460.		3,486.	-1,026.
o 1,522.		1,815.	-293.

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			786.
b			682.
c			9,906.
d			15,646.
e			3,538.
f			11,043.
g			-92,479.
h			-18,566.
i			-54,401.
j			24,385.
k			4,207.
l			-451.
m			1,262.
n			-1,026.
o			-293.

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

2

3

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	36.484 SHS BLACKROCK ENERGY & RES TR COM	P	VARIOUS	VARIOUS
b	575 SHS COHEN & STEERS SELECT UTIL	P	05/19/09	12/03/09
c	50 SHS ISHARES TR S&P 500	P	09/30/08	04/17/09
d	1210.965 SHS NASDAQ PREM INCOME & GROWTH	P	VARIOUS	VARIOUS
e	107.945 SHS REAVES UTIL INCOME FD	P	VARIOUS	VARIOUS
f	446.583 SHS BLACKROCK ENERGY & RES TR COM	P	VARIOUS	06/09/09
g	802 SHS CLOUGH GLOBAL OPPORTUNITIES FD	P	06/26/08	VARIOUS
h	859 SHS GABELLI DIVID & INCOME TR	P	09/09/05	VARIOUS
i	50 SHS ISHARES TR S&P 500	P	09/30/08	10/28/09
j	100 SHS JOHNSON & JOHNSON COM	P	05/20/08	11/23/09
k	1082.062 SHS REAVES UTIL INCOME FD	P	VARIOUS	VARIOUS
l	120 SHS UNITED TECHNOLOGIES CORP	P	09/02/05	11/23/09
m	160 SHS GENERAL AMERN INVS CO INC	P	10/06/08	10/16/09
n	CAPITAL GAINS DIVIDENDS			
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 810.		727.	83.
b 8,606.		5,963.	2,643.
c 2,207.		2,821.	-614.
d 15,285.		18,215.	-2,930.
e 1,411.		1,510.	-99.
f 9,912.		11,177.	-1,265.
g 9,972.		14,157.	-4,185.
h 10,652.		16,093.	-5,441.
i 2,703.		2,703.	0.
j 6,243.		6,630.	-387.
k 13,892.		21,764.	-7,872.
l 8,216.		6,094.	2,122.
m 3,886.		3,056.	830.
n 185.			185.
o			

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			83.
b			2,643.
c			-614.
d			-2,930.
e			-99.
f			-1,265.
g			-4,185.
h			-5,441.
i			0.
j			-387.
k			-7,872.
l			2,122.
m			830.
n			185.
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	-98,925.
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
INTEREST INCOME	90,395.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	90,395.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
DIVIDEND INCOME	213,129.	185.	212,944.
TOTAL TO FM 990-PF, PART I, LN 4	213,129.	185.	212,944.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
OTHER INVESTMENT INCOME	7,586.	7,586.	
TOTAL TO FORM 990-PF, PART I, LINE 11	7,586.	7,586.	

FORM 990-PF LEGAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	4,826.	0.		4,826.
TO FM 990-PF, PG 1, LN 16A	4,826.	0.		4,826.

FORM 990-PF	ACCOUNTING FEES	STATEMENT	5
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PREPARATION OF 990PF ASSEMBLE INVESTMENT INFORMATION	18,304.	0.		18,304.
	6,101.	6,101.		0.
TO FORM 990-PF, PG 1, LN 16B	24,405.	6,101.		18,304.

FORM 990-PF	OTHER PROFESSIONAL FEES	STATEMENT	6
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT ADVISORY & ADMIN.	39,951.	39,951.		0.
TO FORM 990-PF, PG 1, LN 16C	39,951.	39,951.		0.

FORM 990-PF	TAXES	STATEMENT	7
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PAYROLL TAXES	9,013.	901.		8,112.
FEDERAL TAX PAID	6,802.	0.		6,802.
FOREIGN TAXES PAID	1,095.	1,095.		0.
TO FORM 990-PF, PG 1, LN 18	16,910.	1,996.		14,914.

FORM 990-PF	OTHER EXPENSES			STATEMENT 8
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
SUPPLIES	332.	0.		332.
POSTAGE	67.	0.		67.
ADMINISTRATIVE - MANAGEMENT	2,053.	2,053.		0.
CONTRACT LABOR	2,050.	0.		2,050.
MISCELLANEOUS	8.	0.		8.
TO FORM 990-PF, PG 1, LN 23	4,510.	2,053.		2,457.

FORM 990-PF	CORPORATE STOCK		STATEMENT 9
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE	
UNITY WORKS!, LLC	550,866.	0.	
WELLS FARGO - CORP STOCK (SEE ATTACHMENT)	2,725,831.	3,114,591.	
LEGG MASON PARTNERS G & W	48,416.	27,809.	
FIDELITY - CORP STOCK (SEE ATTACHMENT)	304,787.	309,600.	
PUNCH MICRO CAP PARTNERSHIPS, LLC	348,856.	382,081.	
TOTAL TO FORM 990-PF, PART II, LINE 10B	3,978,756.	3,834,081.	

FORM 990-PF	CORPORATE BONDS		STATEMENT 10
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE	
SIT BOND FUND, LLC	1,092,353.	989,209.	
SIT OPPORTUNITY BOND FUND, LLC	1,406,044.	1,386,109.	
FIDELITY - HOME DEPOT INC.	4,869.	5,119.	
TOTAL TO FORM 990-PF, PART II, LINE 10C	2,503,266.	2,380,437.	

FORM 990-PF		OTHER INVESTMENTS	STATEMENT 11
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
FIDELITY - OTHER (SEE ATTACHMENT)	COST	6,913.	6,873.
CANNON PRESS	COST	20,000.	20,000.
TOTAL TO FORM 990-PF, PART II, LINE 13		26,913.	26,873.

FORM 990-PF		DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT	STATEMENT 12
DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
FURNITURE AND FIXTURES	7,079.	7,079.	0.
TOTAL TO FM 990-PF, PART II, LN 14	7,079.	7,079.	0.

FORM 990-PF	GRANT APPLICATION SUBMISSION INFORMATION	STATEMENT	13
	PART XV, LINES 2A THROUGH 2D		

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

JAY L. BENNETT, WALLESTAD FOUNDATION
730 SECOND AVE SOUTH
MINNEAPOLIS, MN 55402

TELEPHONE NUMBER

612-288-2233

FORM AND CONTENT OF APPLICATIONS

A LETTER TO JAY L. BENNETT INCLUDING IRS EXEMPT STATUS LETTER, MINISTRY BUDGET, MINISTRY LITERATURE.

ANY SUBMISSION DEADLINES

NONE

RESTRICTIONS AND LIMITATIONS ON AWARDS

THE FOUNDATION GIVES PRIMARILY TO CHRISTIAN MISSION ORGANIZATIONS BUT RESERVES THE RIGHT TO GIVE WITHIN BROADER PURPOSES ALLOWED BY ITS TAX-EXEPMT STATUS.

Wallestad Foundation

YEAR ENDING: 12/31/2009

FEIN: 36-3485265

FORM 990PF, PART II, LINE 10b

INVESTMENTS - CORPORATE STOCK

<u>DESCRIPTION</u>	<u>SHARES</u>	<u>COST AT</u> <u>12/31/09</u>	<u>FMV AT</u> <u>12/31/09</u>
WELLS FARGO - CORPORATE STOCK			
Abbott Labs	900	\$ 45,311	\$ 48,591
Ace Limited	700	40,730	35,280
Accenture PLC	700	19,597	29,050
Atlas Energy, Inc.	1,100	32,825	38,459
Apollo Invt Corp	1,700	16,346	16,218
Applied Materials Inc	2,400	32,537	33,456
Automatic Data Processing	700	31,883	29,974
Bank of New York	1,000	39,425	27,970
Baxter Intl Inc	500	26,550	29,340
Becton Dickinson & Co	800	67,786	63,088
Cato Corp New CL A	1,800	30,447	36,108
Cheveron Corp	900	70,165	69,291
Cooper Industries PLC New Ireland	1,000	34,148	42,640
Deere & Co.	800	36,524	43,272
Diageo PLC - ADR	700	40,002	48,587
Eli Lilly & Co	600	31,098	21,426
Emerson Electric Co	800	34,918	34,080
Energy Transfer Equity	900	10,610	27,522
EQT Corporation	800	30,402	35,136
Exelon Corporation	700	38,030	34,209
Expeditors Intl Wash Inc	1,000	33,135	34,770
FPL Group Inc	600	26,301	31,692
Franklin Resources	300	28,442	31,605
General Electric Co	1,900	29,327	28,747
General Mills	900	51,180	63,729
Halliburton Co	1,600	47,704	48,144
Home Depot, Inc	600	14,292	17,358
Intel Corp	3,250	68,645	66,300
International Business Machs Corp	700	67,925	91,630
Johnson & Johnson	1,500	82,662	96,615

Wallestad Foundation

YEAR ENDING: 12/31/2009

FEIN: 36-3485265

FORM 990PF, PART II, LINE 10b

INVESTMENTS - CORPORATE STOCK

<u>DESCRIPTION</u>	<u>SHARES</u>	<u>COST AT</u> <u>12/31/09</u>	<u>FMV AT</u> <u>12/31/09</u>
WELLS FARGO - CORPORATE STOCK, Cont.			
JP Morgan Chase	1,700	80,501	70,839
Kayne Anderson	1,700	44,573	42,568
Lockheed Martin Corp	300	33,050	22,605
Lufkin Inds Inc Com	500	18,764	36,600
Marathon Oil Corp	1,250	54,478	39,025
McKesson Corp	600	30,777	37,500
Medtronic Inc	900	42,890	39,582
Microsoft Corp	1,400	17,668	42,672
Monsanto Co	500	21,259	40,875
Murphy Oil Corp	600	16,659	32,520
Occidental Pete Corp	950	17,829	77,283
Oracle Corporation	1,800	33,870	44,154
Partnerre LTD Com	575	42,729	42,930
Pepsico Inc	1,000	41,979	60,800
Philip Morris International	1,500	59,185	72,285
Procter & Gamble Co	1,000	48,128	60,630
Qualcomm Inc	1,100	52,433	50,886
Rogers Communications Inc	1,000	27,900	31,000
Schlumberger Ltd	600	20,100	39,054
SIT Dividend Growth Fund	41,410	467,043	471,258
Target Corp	1,100	20,972	53,207
TCF Financial	1,300	16,979	17,706
TJX COS Inc	500	9,874	18,275
Total S.A. - ADR	1,800	47,485	57,636
Travelers Companies, Inc	600	24,234	29,916
Union Pacific Corp	550	26,074	35,145
United Technologies	1,000	62,525	69,410
US Bancorp	1,300	42,097	29,263
Verizon Communications	2,400	75,566	79,512
Wells Fargo & Co	1,900	26,688	51,281

Wallestad Foundation

YEAR ENDING: 12/31/2009

FEIN: 36-3485265

FORM 990PF, PART II, LINE 10b

INVESTMENTS - CORPORATE STOCK

<u>DESCRIPTION</u>	<u>SHARES</u>	<u>COST AT</u> <u>12/31/09</u>	<u>FMV AT</u> <u>12/31/09</u>
WELLS FARGO - CORPORATE STOCK, Cont.			
Xilinx Inc	900	14,693	22,554
3M Co	500	27,884	41,335
		<u>\$ 2,725,831</u>	<u>\$ 3,114,591</u>

FIDELITY - CORPORATE STOCK

Accenture Ltd.	200	\$ 5,035	\$ 8,300
Ameriprise Finl Inc	216	8,312	8,385
Boeing Co	160	6,910	8,661
Centurytel Inc	80	3,090	2,897
China Mobile Ltd	100	2,416	4,643
Clough Global Opportunities	1,040	17,580	13,397
Cohen & Steers Closed-End Opportunity Fund Inc.	650	6,106	8,496
Cohen & Steers Reit & Util Income Fd Inc	800	7,837	7,885
Constellation Energy Group Inc. JR SUB	135	2,988	3,487
CVS Caremark Corp	184	5,538	5,927
Deutsche BK Contingent Cap TR II	65	1,510	1,351
Duke Energy	171	3,038	2,941
DWS Dreman Value Income	230	2,033	2,776
Exxon Mobile	100	6,081	6,819
Fiserv Inc	165	7,885	7,999
Gabelli Divid & Income	969	16,926	12,707
Gabelli Global Deal FD	369	5,838	5,322
H&Q Healthcare Fd	932	14,744	11,038
Hormel George A & Co	200	7,048	7,690
Invesco Ltd	375	5,043	8,809
Ishares Barclays 20+ Year Treas	25	2,339	2,247
Ishares TR S&P 500/Growth Index	675	38,581	39,143
Johnson & Johnson	135	8,951	7,292

Wallestad Foundation

YEAR ENDING: 12/31/2009

FEIN: 36-3485265

FORM 990PF, PART II, LINE 10b

INVESTMENTS - CORPORATE STOCK

<u>DESCRIPTION</u>	<u>SHARES</u>	<u>COST AT</u> <u>12/31/09</u>	<u>FMV AT</u> <u>12/31/09</u>
FIDELITY - CORPORATE STOCK, Cont.			
JPMorgan Chase & Co	175	7,019	8,695
LMP Cap and Income	399	6,577	4,134
Microsoft Corp	290	6,920	8,839
Nasdaq Prem Income & Growth FD	230	4,870	4,559
Novartis AG ADR	170	10,119	9,253
PrivateBancorp Cap Tr Iv Gtd	100	2,301	2,260
Procter & Gamble Co	190	11,236	11,520
Realty Income Corp Monthly Income	225	5,022	5,373
Republic Services Inc	180	5,032	5,096
Santander Finance Preferred SA Unip	75	2,080	2,129
Schwab Charles Corp.	450	6,613	8,469
Selective Ins Group Inc	230	4,634	4,812
Sunamerica Focused Alpha Growth Fd Inc	1,103	18,583	15,128
Target Corp	90	4,794	4,353
Telephone and Data System	200	4,979	4,912
United Technologies Corp	80	4,062	5,553
Verizon Communications	218	6,587	7,222
Waste Management Inc	185	5,559	6,255
Wells Fargo & Co New	110	1,975	2,827
		<u>\$ 304,787</u>	<u>\$ 309,600</u>

Wallestad Foundation

YEAR ENDING: 12/31/2009

FEIN: 36-3485265

FORM 990PF, PART II, LINE 10c

INVESTMENTS - OTHER

FIDELITY - OTHER INVESTMENTS

<u>DESCRIPTION</u>	<u>SHARES</u>	<u>COST AT</u> <u>12/31/09</u>	<u>FMV AT</u> <u>12/31/09</u>
Health Care Reit Inc	70	\$ 3,045	\$ 3,102
Universal Health Rlty Income	73	2,521	2,338
Walter Invt Mgmt Corp Com	100	1,346	1,433
		<u>\$ 6,913</u>	<u>\$ 6,873</u>

WALLESTAD FOUNDATION**Year Ending: 12/31/2009****FEIN# 36-3485265****Form 990PF - Part XV****Grants and Contributions Paid During the Year or Approved for Future Payment**

<u>Name and Address</u>	<u>Foundation Status of Recipient</u>	<u>Purpose of Grant or Contribution</u>	<u>Amount</u>
Church of New Life 3536 Nicollet Avenue South Minneapolis, MN 55408	501(c)(3)	Leadership	41,000.00
Crown Financial Ministries PO Box 100 Gainesville, GA 30503-0100	501(c)(3)	Leadership	4,500.00
Hope Academy 7807 Creekridge Circle Edina, MN 55439	501(c)(3)	Leadership	10,000.00
Leadership Foundation of America 701 4 th Ave. South Suite 750 Minneapolis, MN 55415	501(c)(3)	Leadership	32,334.00
National Christian Foundation Suite 900 1100 Johnson Ferry Road Atlanta, GA 30342	501(c)(3)	Kingdom Oil Charitable Fund	100,000.00
R3 Collaborative for Recovery, Reentry & Renewal 3050 Centre Pointe Dr. Roseville, MN 55113		Leadership	13,000.00
Rich Scherber 7810 Mississippi Lane Brooklyn Park, MN 55444	Individual	Leadership	30,000.00
Servant Leaders' Support Ministries 2202 Storland Road Eagan, MN 55122	501(c)(3)	Leadership	34,000.00
The Prayer Center 821 ½ West Broadway Minneapolis, MN 55411		Leadership	2,100.00
TOTAL			266,934.00