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Return of Private Foundation

or Section 4947(a)(1) Nonexempt Charitable Trust

Treated as a Private Foundation

2009

Department of the Treasury
Internal Revenue Service

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 JUL 1, 2009, and ending JUN 30, 2010

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 MARTIN AND BROWN FOUNDATION		A Employer identification number 41-1997225
	Number and street (or P.O. box number if mail is not delivered to street address) Room/suite P.O. BOX 46286		B Telephone number 763-383-1303
	City or town, state, and ZIP code PLYMOUTH, MN 55446-0286		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"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 9,906,636. (Part I, column (d) must be on cash basis)			F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)			

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)
Revenue	1 Contributions, gifts, grants, etc., received			N/A	
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	220,876.	220,876.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	487,406.			
	b Gross sales price for all assets on line 6a	642,619.			
	7 Capital gain net income (from Part IV, line 2)		487,406.		
	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	2,245.	2,245.		STATEMENT 2	
12 Total. Add lines 1 through 11	710,527.	710,527.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees	STMT 3	3,750.	0.	3,750.
	c Other professional fees	STMT 4	45,955.	44,965.	990.
	17 Interest				
	18 Taxes	STMT 5	1,670.	1,670.	0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses	STMT 6	136.	30.	106.
	24 Total operating and administrative expenses. Add lines 13 through 23		51,511.	46,665.	4,846.
	25 Contributions, gifts, grants paid		558,600.		558,600.
26 Total expenses and disbursements. Add lines 24 and 25		610,111.	46,665.	563,446.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		100,416.			
b Net investment income (if negative, enter -0-)			663,862.		
c Adjusted net income (if negative, enter -0-)			N/A		

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	586.	1,661.	1,661.
	2 Savings and temporary cash investments	6,048,646.	652,569.	652,569.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 7	955,511.	808,588.	849,997.
	c Investments - corporate bonds STMT 8	2,848,411.	8,499,038.	8,402,409.
Liabilities	11 Investments - land, buildings, and equipment, basis ▶			
	Less: accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment, basis ▶			
	Less: accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers)	9,853,154.	9,961,856.	9,906,636.
	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 ▶ <input type="checkbox"/>			
	and complete lines 24 through 26 and lines 30 and 31.			
Net Assets or Fund Balances	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	9,853,154.	9,961,856.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
Net Assets or Fund Balances	29 Retained earnings, accumulated income, endowment, or other funds	0.	0.	
	30 Total net assets or fund balances	9,853,154.	9,961,856.	
	31 Total liabilities and net assets/fund balances	9,853,154.	9,961,856.	

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	9,853,154.
2 Enter amount from Part I, line 27a	2	100,416.
3 Other increases not included in line 2 (itemize) ▶ COST BASIS ADJUSTMENTS	3	8,286.
4 Add lines 1, 2, and 3	4	9,961,856.
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	9,961,856.

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 642,619.		155,213.	487,406.

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			487,406.

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	487,406.
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	533,161.	10,189,066.	.052327
2007	776,794.	12,704,561.	.061143
2006	543,930.	12,465,154.	.043636
2005	396,984.	11,390,565.	.034852
2004	290,147.	10,980,268.	.026424

2 Total of line 1, column (d)	2	.218382
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	.043676
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	10,130,899.
5 Multiply line 4 by line 3	5	442,477.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	6,639.
7 Add lines 5 and 6	7	449,116.
8 Enter qualifying distributions from Part XII, line 4	8	563,446.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	6,639.
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	6,639.
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	6,639.
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	2,966.	
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	2,966.	
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	3,673.	
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 checked="" 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
1b 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. ► \$ 0. (2) On foundation managers. ► \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
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) ► 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?	13	X	

Website address ► **N/A**

14 The books are in care of ► **JENNIFER MARTIN** Telephone no. ► **763-383-1303**
 Located at ► **P.O. BOX 46286, PLYMOUTH, MN** ZIP+4 ► **55446-0286**

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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes <input checked="" 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	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?		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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If "Yes," list the years ►		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)	N/A	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

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
SEE STATEMENT 9		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

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	
	0.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

	Amount
1 N/A	
	0.
2	
All other program-related investments. See instructions.	
3 N/A	
	0.
	0.
Total. Add lines 1 through 3	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	6,739,921.
b	Average of monthly cash balances	1b	3,545,256.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	10,285,177.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	10,285,177.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	154,278.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	10,130,899.
6	Minimum investment return. Enter 5% of line 5	6	506,545.

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	506,545.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	6,639.
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	6,639.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	499,906.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	499,906.
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	499,906.

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	563,446.
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	563,446.
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	6,639.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	556,807.

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				499,906.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			38,280.	
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: ▶ \$ 563,446.				
a Applied to 2008, but not more than line 2a			38,280.	
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				499,906.
e Remaining amount distributed out of corpus	25,260.			
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	25,260.			
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	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	25,260.			
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	25,260.			

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

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

[illegible]

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

☐ Yes ☒ No

b If "Yes," complete the following schedule.

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

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.

Sign Here

Jennifer L Marti
Signature of officer or trustee

Date _____

10/26/2010

Title

Chan

Preparer's
signature

LAURI A. ROBERTS, CPA

Date _____

10/22/10

☐ Check if self-employed

Preparer's identifying number

Firm's name (or yours if self-employed)

WIPFLI LLP

7601 FRANCE AVENUE SOUTH, SUITE 400
MINNEAPOLIS, MN 55435

EIN ►

Phone no. 952-548-3400

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	710 SHS DOMINION RESOURCES INC. VA		VARIOUS	08/13/09
b	2030 SHS VERIZON COMMUNICATIONS INC		VARIOUS	08/20/09
c	125 SHS COLGATE-PALMOLIVE COMPANY		VARIOUS	10/02/09
d	410 SHS PFIZER MERGER OF WYETH		VARIOUS	10/16/09
e	.85 SHS CIL OF FRACS OF PFIZER, INC		VARIOUS	11/18/09
f	1250 SHS CONOCOPHILLIPS		VARIOUS	02/09/10
g	WESTWOOD K-1 SHORT TERM		VARIOUS	VARIOUS
h	WESTWOOD K-1 LONG TERM		VARIOUS	VARIOUS
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	23,564.		21,294.	2,270.
b	61,731.		69,840.	-8,109.
c	9,520.		6,589.	2,931.
d	13,530.		17,674.	-4,144.
e	15.		15.	0.
f	60,974.		39,801.	21,173.
g	201,694.			201,694.
h	271,591.			271,591.
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) 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			2,270.
b			-8,109.
c			2,931.
d			-4,144.
e			0.
f			21,173.
g			201,694.
h			271,591.
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	487,406.
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	DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT	1
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SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
K-1 WESTWOOD - ALLCAP GROWTH EQUITY	8,639.	0.	8,639.
K-1 WESTWOOD - CORE INVEST. GRADE BOND TRUST	50,186.	0.	50,186.
K-1 WESTWOOD - HIGH YIELD BOND	59,572.	0.	59,572.
K-1 WESTWOOD - INCOME OPPORTUNITY FUND	32,356.	0.	32,356.
K-1 WESTWOOD - INTERNATIONAL GROWTH EQUITY	11,424.	0.	11,424.
K-1 WESTWOOD - INTERNATIONAL VALUE EQUITY	12,677.	0.	12,677.
K-1 WESTWOOD - LARGE CAP INVESTMENT EQUITY	7,244.	0.	7,244.
K-1 WESTWOOD - MIDCAP VALUE EQUITY	4,297.	0.	4,297.
K-1 WESTWOOD - REAL ESTATE INVESTMENT TRUST	5,762.	0.	5,762.
K-1 WESTWOOD - SMALLCAP GROWTH EQUITY	1,589.	0.	1,589.
K-1 WESTWOOD - SMALLCAP VALUE EQUITY	1,732.	0.	1,732.
K-1 WESTWOOD - SMIDCAP VALUE EQUITY	2,145.	0.	2,145.
WELLS FARGO	16.	0.	16.
WESTWOOD TRUST	23,237.	0.	23,237.
TOTAL TO FM 990-PF, PART I, LN 4	220,876.	0.	220,876.

FORM 990-PF	OTHER INCOME	STATEMENT	2
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DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
CLASS ACTION SETTLEMENT - SECURITY NO LONGER HELD IN WESTWOOD TRUST	499.	499.	
CLASS ACTION SETTLEMENT	1,746.	1,746.	
TOTAL TO FORM 990-PF, PART I, LINE 11	2,245.	2,245.	

FORM 990-PF	ACCOUNTING FEES			STATEMENT 3
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX PREPARATION FEES	3,750.	0.		3,750.
TO FORM 990-PF, PG 1, LN 16B	3,750.	0.		3,750.

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT 4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
WESTWOOD TRUST ADMINISTRATION FEES	44,965.	44,965.		0.
MEMBERSHIP FEES	990.	0.		990.
TO FORM 990-PF, PG 1, LN 16C	45,955.	44,965.		990.

FORM 990-PF	TAXES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES-WESTWOOD K-1	872.	872.		0.
FOREIGN TAXES-WESTWOOD K-1	798.	798.		0.
TO FORM 990-PF, PG 1, LN 18	1,670.	1,670.		0.

FORM 990-PF	OTHER EXPENSES	STATEMENT	6
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MN FILING FEE	25.	0.		25.
MISCELLANEOUS INVESTMENT FEES	30.	30.		0.
POSTAGE	81.	0.		81.
TO FORM 990-PF, PG 1, LN 23	136.	30.		106.

FORM 990-PF	CORPORATE STOCK	STATEMENT	7
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE ATTACHED STATEMENTS	808,588.	849,997.
TOTAL TO FORM 990-PF, PART II, LINE 10B	808,588.	849,997.

FORM 990-PF	CORPORATE BONDS	STATEMENT	8
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE ATTACHED STATEMENTS	8,499,038.	8,402,409.
TOTAL TO FORM 990-PF, PART II, LINE 10C	8,499,038.	8,402,409.

FORM 990-PF	PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS	STATEMENT	9
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NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
JENNIFER L MARTIN PO BOX 46286 PLYMOUTH, MN 554460286	PRESIDENT/SECRETARY 5.00	0.	0.	0.
TAMARA M BROWN PO BOX 46286 PLYMOUTH, MN 554460286	VICE PRESIDENT 0.00	0.	0.	0.
ARIANA M BROWN PO BOX 46286 PLYMOUTH, MN 554460286	TREASURER 0.00	0.	0.	0.
ISAAC BROWN PO BOX 46286 PLYMOUTH, MN 554460286	DIRECTOR 0.00	0.	0.	0.
GABRIAL BROWN PO BOX 46286 PLYMOUTH, MN 554460286	DIRECTOR 0.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

FORM 990-PF

GRANTS AND CONTRIBUTIONS
PAID DURING THE YEAR

STATEMENT 10

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
AMERICAN CIVIL LIBERTIES UNION OF MINNESOTA FOUNDATION 450 N. SYNDICATE STREET, SUITE 230 SAINT PAUL, MN 55104	N/A GENERAL SUPPORT	PUBLIC CHARITY	15,000.
CENTER FOR REPRODUCTIVE RIGHTS 120 WALL STREET NEW YORK, NE YORK 10005	N/A GENERAL SUPPORT	PUBLIC CHARITY	30,000.
GROWTH & JUSTICE 2324 UNIVERSITY AVENUE W, SUITE 120A ST PAUL, MN 55114	N/A GENERAL SUPPORT	PUBLIC CHARITY	15,000.
HIGHPOINT CENTER FOR PRINTMAKING 912 LAKE STREET WEST MINNEAPOLIS, MN 55408	N/A GENERAL SUPPORT	PUBLIC CHARITY	40,000.
LEAGUE OF WOMEN VOTERS OF MN EDUCATION FUND 550 RICE STREET ST PAUL, MN 55103	N/A GENERAL SUPPORT	PUBLIC CHARITY	15,000.
MENTAL HEALTH ASSOCIATION OF MN 2021 EAST HENNEPIN AVE, SUITE 412 MINNEAPOLIS, MN 55413	N/A GENERAL SUPPORT	PUBLIC CHARTIY	10,000.
MIDWEST HEALTH CENTER FOR WOMEN 33 SOUTH FIFTH STREET, 4TH FLOOR MINNEAPOLIS, MN 55402	N/A GENERAL SUPPORT	PUBLIC CHARITY	10,000.
MINNESOTA LANDSCAPE ARBORETUM 3675 ARBORETUM DRIVE CHASKA, MN 55318	N/A GENERAL SUPPORT / DIRECTORSHIP FUND	PUBLIC CHARTIY	12,000.

MARTIN AND BROWN FOUNDATION

41-1997225

MINNPOST.COM 900 SIXTH AVENUE SE MINNEAPOLIS, MN 55414	N/A GENERAL SUPPORT	PUBLIC CHARITY	20,000.
MN COALITION FOR REPRODUCTIVE CHOICE 122 WEST FRANKLIN AVE., SUITE 303 MINNEAPOLIS, MN 55404	N/A GENERAL SUPPORT	PUBLIC CHARTIY	12,000.
PLANNED PARENTHOOD OF MN, ND, SD 1200 LAGOON AVENUE MINNEAPOLIS, MN 55104	N/A CAPITAL CAMPAIGN	PUBLIC CHARITY	125,000.
RELIGIOUS COALITION FOR REPRODUCTIVE CHOICE EDUCATION FUND - 1025 VERMONT AVENUE NW WASHINGTON, DC 20005	N/A GENERAL SUPPORT	PUBLIC CHARITY	21,000.
SISTERS OF SAINT BENEDICT 620 SUMMIT AVENUE CROOKSTON, MN 56716	N/A GENERAL SUPPORT	PUBLIC CHARITY	10,000.
SOUTHSIDE COMMUNITY HEALTH SERVICES 4243 4TH AVENUE SOUTH MINNEAPOLIS, MN 55409	N/A GENERAL SUPPORT	PUBLIC CHARITY	51,000.
THRESHOLDS 4101 N. RAVENSWOOD AVE CHICAGO, IL 60613	N/A GENERAL SUPPORT	PUBLIC CHARITY	6,600.
TWIN CITIES PUBLIC TELEVISION 172 EAST 4TH STREET SAINT PAUL, MN 55104	N/A GENERAL SUPPORT	PUBLIC CHARITY	25,000.
VOLUNTEER LAWYERS NETWORK 600 NICOLLET MALL MINNEAPOLIS, MN 55402	N/A GENERAL SUPPORT	PUBLIC CHARITY	6,000.
WEISMAN ART MUSEUM AT THE UNIVERSITY OF MINNESOTA 333 EAST RIVER ROAD MINNEAPOLIS, MN 55455	N/A BUILDING EXPANSION CAMPAIGN	PUBLIC CHARITY	125,000.

MARTIN AND BROWN FOUNDATION

41-1997225

WOMEN VENTURE N/A
2324 UNIVERSITY AVENUE W, SAINT GENERAL SUPPORT
PAUL, MN 55114

PUBLIC 10,000.
CHARTIY

TOTAL TO FORM 990-PF, PART XV, LINE 3A

558,600.



Martin and Brown Foundation

Account #: 5486

Account Holdings 06/30/2010

Current Allocation	Shares	Unit Price	Market Value	Cost Basis	Estimated Annual Income	Annual Yield	Accrual
Cash							
0.02% Cash			1,661.08 ✓	1,661.08			
Cash Equivalents							
Money Market - Taxable							
6.46% SEI Government Principal	639,328.1400	1.0000	639,328.14 ✓	639,328.14	313.86	0.05%	46.31
Common Funds							
Common Trust Fund - Capital Appreciation							
10.45% AllCap Growth Equity - PT	18,999.0637	54.4392	1,034,293.81	1,167,590.39	9,305.74	0.90%	0.00
7.20% International Growth Equity - PT	10,524.8141	67.8405	711,903.70	769,064.53	16,587.11	2.33%	0.00
7.41% International Value Equity - PT	7,534.8842	97.2738	732,946.82	730,863.17	18,250.25	2.49%	0.00
6.14% LargeCap Value Equity - PT	1,549.6345	392.0504	607,534.83	658,982.76	14,077.50	2.32%	0.00
3.19% MidCap Value Equity - PT	4,433.9220	71.0153	314,876.30	317,357.55	6,335.20	2.01%	0.00
1.59% SMidCap Value Equity - PT	440.5541	354.2413	156,062.46	142,663.40	2,594.47	1.66%	0.00
1.45% SmallCap Growth Equity - PT	1,054.4944	135.8155	143,216.68	187,692.38	898.75	0.63%	0.00
1.53% SmallCap Value Equity - PT	1,158.8554	131.2646	152,116.70	154,434.85	1,481.15	0.97%	0.00
38.96% Common Trust Fund - Capital Appreciation Total	45,696.2224		3,852,951.30	4,128,649.03	69,530.17	1.80%	0.00
Common Trust Fund - Income							
22.24% Core Investment Grade Bond - PT	18,476.5467	119.0433	2,199,509.07	2,166,376.63	50,588.81	2.30%	0.00
6.82% HighYield Bond - PT	7,973.3319	84.7437	675,689.64	620,279.69	62,249.40	9.21%	0.00
14.56% Income Opportunity - PT	12,397.3352	116.1964	1,440,525.72	1,400,032.60	61,221.77	4.25%	0.00
2.37% Real Estate Investment Trust - PT	1,360.2743	171.8284	233,733.75	183,700.41	9,239.67	3.95%	0.00
45.99% Common Trust Fund - Income Total	40,207.4881		4,549,458.18 ✓	4,370,389.33	183,299.65	4.03%	0.00
84.95% Common Funds Total	85,903.7105		8,402,409.48 ✓	8,499,038.36 ✓	252,829.82	3.01%	0.00
Equity							
Stock - Common							
0.77% AT&T Inc	3,180.0000	24.1900	76,924.20	102,005.51	5,342.40	6.95%	0.00
1.26% CVS Caremark Corporation	4,245.0000	29.3200	124,463.40	123,285.75	1,485.75	1.19%	0.00
0.95% Cisco Systems Inc	4,445.0000	21.3100	94,722.95	101,712.21	0.00	0.00%	0.00



Martin and Brown Foundation

Account #: 5486

Account Holdings 06/30/2010

Current Allocation	Shares	Unit Price	Market Value	Cost Basis	Estimated Annual Income	Annual Yield	Accrual
Equity							
Stock - Common							
0.23% Covidien LTD	570.0000	40.1800	22,902.60	29,898.58	410.40	1.79%	0.00
0.93% Exxon Mobil Corporation	1,620.0000	57.0700	92,453.40	52,326.00	2,851.20	3.08%	0.00
1.61% International Business Machines Corporation	1,297.0000	123.4800	160,153.56	145,592.10	3,372.20	2.11%	0.00
1.33% JPMorgan Chase & Company	3,580.0000	36.6100	131,063.80	120,346.47	716.00	0.55%	0.00
0.30% Johnson & Johnson	500.0000	59.0600	29,530.00	26,043.20	1,080.00	3.66%	0.00
0.24% Microsoft Corporation	1,035.0000	23.0100	23,815.35	27,511.31	538.20	2.26%	0.00
0.18% Oracle Corporation	850.0000	21.4600	18,241.00	17,711.53	170.00	0.93%	0.00
0.06% Pfizer Inc	403.0000	14.2600	5,746.78	7,058.54	290.16	5.05%	0.00
0.23% Philip Morris International Inc	500.0000	45.8400	22,920.00	8,283.55	1,160.00	5.06%	290.00
0.48% United Technologies Corporation	725.0000	64.9100	47,059.75	46,812.87	1,232.50	2.62%	0.00
8.57% Stock - Common Total	22,950.0000		849,996.79	808,587.62	18,648.81	2.19%	290.00
100.00% Grand Total	748,181.8505		9,893,395.49	9,948,615.20	271,792.49	2.75%	336.31