Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

OMB No 1545-0052

2010

For calendar year 2010, or tax year beginning , 2010, and ending , 20

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

Name of foundation: THE LEGACY OF ANGELS

A Employer identification number: 26-3070514

Number and street (or P O box number if mail is not delivered to street address): 212 15TH AVENUE NE — Room/suite: 1040

B Telephone number (see page 10 of the instructions): 507-835-5340

City or town, state, and ZIP code: WASECA MINNESOTA 56039

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) ▶ $ 33,072,114.53

J Accounting method: ☑ Cash ☐ Accrual ☐ Other (specify) (Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions).)*

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc, received (attach schedule)				
	2	Check ▶ ☐ if the foundation is **not** required to attach Sch. B				
	3	Interest on savings and temporary cash investments	13.34	13 34	N/A	
	4	Dividends and interest from securities	276,750 75	276,750 75		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	207,278 49			
	b	Gross sales price for all assets on line 6a				
	7	Capital gain net income (from Part IV, line 2)		207,278 49		
	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) (attach schedule)				
	11	Other income (attach schedule)	2,901,114.17	2,901,114 17	NON	
	12	**Total.** Add lines 1 through 11	3,385,156 75	3,385,156.75	OPERATING	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc			PRIVATE	
	14	Other employee salaries and wages			FOUNDATION	
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)	14,212.79	14,212.79		0 00
	b	Accounting fees (attach schedule)	35,740 73	35,740 73		0 00
	c	Other professional fees (attach schedule)	32,643 54	32,643 54		0 00
	17	Interest	112.70	112.70		0 00
	18	Taxes (attach schedule) (see page 14 of the instructions)	108,951 00	0.00		0 00
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy	1,023 08	1,023 08		0 00
	21	Travel, conferences, and meetings	1,621.33	0.00		1,621.33
	22	Printing and publications				
	23	Other expenses (attach schedule)	1,349 59	1,254 11		0 00
	24	**Total operating and administrative expenses.** Add lines 13 through 23	195,654 76	84,986 95		1,621 33
	25	Contributions, gifts, grants paid	1,320,000.00			1,320,000 00
	26	**Total expenses and disbursements.** Add lines 24 and 25	1,515,654 76	84,986 95		1,321,621 33
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	1,869,501 99			
	b	**Net investment income** (if negative, enter -0-)		3,300,169 80		
	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 (See instructions)	Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	(83,616 85)	380,043 73	380,043.73
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶			
	Less· allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7 Other notes and loans receivable (attach schedule) ▶			
	Less· allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments—U.S. and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)	7,057,283 32	6,923,180 29	7,216,501 19
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment. basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)	23,002,725 53	24,542,669 97	25,475,569.61
	14 Land, buildings, and equipment basis ▶			
	Less: accumulated depreciation (attach schedule) ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	29,976,392 00	31,845,893 99	33,072,114 53
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable	2,000,000 00	750,000 00	
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 **Total liabilities** (add lines 17 through 22)	2,000,000.00	750,000 00	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	26,500,000.00	26,500,000 00	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	1,476,392 00	4,595,893 99	
	30 **Total net assets or fund balances** (see page 17 of the instructions)	27,976,392.00	31,095,893 99	
	31 **Total liabilities and net assets/fund balances** (see page 17 of the instructions)	27,976,392.00	31,095,893 99	

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	27,976,392 00
2 Enter amount from Part I, line 27a	2	1,869,501.99
3 Other increases not included in line 2 (itemize) ▶ DECREASE IN GRANTS PAYABLE	3	1,250,000.00
4 Add lines 1, 2, and 3	4	31,095,893 99
5 Decreases not included in line 2 (itemize) ▶	5	00
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	31,095,893.99

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	(REFER TO SCHEDULE ATTACHED)			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e				

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				

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	207,278 49
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8	3	

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

(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 page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2009	462,144.37	28,812,254 48	1.60398
2008	0 00	997,504 59	0 00
2007	0.00	0.00	0.00
2006	0.00	0 00	0 00
2005	0 00	0 00	0 00

2	**Total** of line 1, column (d)	2	1.60398
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	.80199
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	31,453,965 82
5	Multiply line 4 by line 3	5	252,257.66
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	33,001 70
7	Add lines 5 and 6	7	285,259 36
8	Enter qualifying distributions from Part XII, line 4	8	1,321,621 33

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 on page 18

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter ________ (attach copy of letter if necessary—see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☑ and enter 1% of Part I, line 27b	1	33,002	00
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		
3	Add lines 1 and 2	3	33,002	00
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4		
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-	5	33,002	00
6	Credits/Payments:			
a	2010 estimated tax payments and 2009 overpayment credited to 2010 — 6a — 70,000 00			
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	70,000	00
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ 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		
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	36,998	00
11	Enter the amount of line 10 to be: **Credited to 2011 estimated tax** ▶ 36,998 00 **Refunded** ▶	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?	1a		✓
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		✓
	*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*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		✓
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation. ▶ $ N/A **(2)** On foundation managers ▶ $ N/A			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ N/A			
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.*	2		✓
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*	3		✓
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		✓
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b	n/	a
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		✓
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	✓	
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*	7	✓	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ MINNESOTA			
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*	8b	✓	
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 2010 or the taxable year beginning in 2010 (see instructions for Part XIV on page 27)? *If "Yes," complete Part XIV*	9	n/	a
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		✓

Part VII-A Statements Regarding Activities *(continued)*

			Yes	No
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 page 20 of the instructions)	11		✓
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		✓
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	✓	
	Website address ▶			
14	The books are in care of ▶ MOORE, COSTELLO & HART PLLP Telephone no. ▶ 651-227-7683 Located at ▶ 55 EAST FIFTH STREET, SUITE 1400, ST PAUL, MN ZIP+4 ▶ 55101-1792			
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			
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		✓
	See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ▶ N/A			

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

			Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☑ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☑ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☑ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☑ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☑ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☑ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)?	1b	n/a	
	Organizations relying on a current notice regarding disaster assistance check here ▶☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	1c	n/a	
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 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? ☐ Yes ☑ No If "Yes," list the years ▶ 20___ , 20___ , 20___ , 20___ n/a			
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 page 22 of the instructions.)	2b	n/a	
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ 20___ , 20___ , 20___ , 20___			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☑ No			
b	If "Yes," did it have excess business holdings in 2010 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 2010.)*	3b	n/a	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		✓
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 2010?	4b	n/a	

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)? (see page 22 of the instructions) ☐ Yes ☑ No
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No

b If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? **5b** n/a
Organizations relying on a current notice regarding disaster assistance check here n/a ▶ ☐

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** ✓ (No)
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? **7b** n/a

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

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
PAUL ROSENAU, 212 15TH AVE NE, #1040 WASECA, MN 56093	CO-CHAIR 20 HRS/WEEK	0 00	0 00	0 00
SUSAN ROSENAU, 212 15TH AVE NE, #1040 WASECA, MN 56093	CO-CHAIR 20 HRS/WEEK	0 00	0 00	0 00
STACY PIKE, 212 15TH AVE NE, #1040 WASECA, MN 56093	SECRETARY 2 HRS/MONTH	0 00	0 00	0 00
* HEATHER TECHMEIER & PAUL ROSENAU, 212 15TH AVE NE, #1040, WASECA, MN 56093	CO-TREASURERS 5 HRS/WEEK	0.00	0 00	0 00

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than $50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
N/A				

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

* Dale DeRaad, 212 15th Ave NE, #1040 Waseca, MN 56093	Board Member 2 Hrs/Month	0.00	0.00	0.00
Brett Rosenau, 212 15th Ave NE, #1040, Waseca, MN 56093	Board Member 2 Hrs/Month	0.00	0.00	0.00

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

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ▶		

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

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

Part IX-B **Summary of Program-Related Investments** (see page 24 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See page 24 of the instructions 3	
Total. Add lines 1 through 3 ▶	

Part X **Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 24 of the 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	7,096,493 45
b	Average of monthly cash balances	1b	163,221 80
c	Fair market value of all other assets (see page 25 of the instructions)	1c	24,673,244 97
d	**Total** (add lines 1a, b, and c)	1d	31,932,960 22
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) . . . 1e 0 00		
2	Acquisition indebtedness applicable to line 1 assets	2	0 00
3	Subtract line 2 from line 1d	3	31,932,960 22
4	Cash deemed held for charitable activities. Enter 1 ½% of line 3 (for greater amount, see page 25 of the instructions)	4	478,994.40
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	31,453,965.82
6	**Minimum investment return.** Enter 5% of line 5	6	1,572,698.29

Part XI **Distributable Amount** (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	1,572,698 29
2a	Tax on investment income for 2010 from Part VI, line 5 . . . 2a 33,002 00		
b	Income tax for 2010. (This does not include the tax from Part VI) 2b 0 00		
c	Add lines 2a and 2b	2c	33,002 00
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,539,696 29
4	Recoveries of amounts treated as qualifying distributions	4	0 00
5	Add lines 3 and 4	5	1,539,696 29
6	Deduction from distributable amount (see page 25 of the instructions)	6	0 00
7	**Distributable amount** as adjusted. Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	1,539,696 29

Part XII **Qualifying Distributions** (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26	1a	1,321,621.33
b	Program-related investments—total from Part IX-B	1b	0.00
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	0 00
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	0 00
b	Cash distribution test (attach the required schedule)	3b	0 00
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,321,621 33
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	33,002 00
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	1,288,619 33

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 page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				1,539,696 29
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			948,756 58	
b Total for prior years: 20___,20___,20___		0.00		
3 Excess distributions carryover, if any, to 2010:				
a From 2005				
b From 2006				
c From 2007				
d From 2008				
e From 2009				
f **Total** of lines 3a through e	0 00			
4 Qualifying distributions for 2010 from Part XII, line 4. ▶ $ 1,321,621 33				
a Applied to 2009, but not more than line 2a			948,756.58	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		0.00		
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)	0 00			
d Applied to 2010 distributable amount				372,864 75
e Remaining amount distributed out of corpus	0 00			
5 Excess distributions carryover applied to 2010 *(If an amount appears in column (d), the same amount must be shown in column (a).)*	0 00			0.00
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5	0.00			
b Prior years' undistributed income Subtract line 4b from line 2b		0 00		
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		0.00		
d Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions		0 00		
e Undistributed income for 2009. Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions			0 00	
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				1,166,831 54
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)	0 00			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)	0.00			
9 **Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a	0.00			
10 Analysis of line 9:				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009				
e Excess from 2010				

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, enter the date of the ruling ▶

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

	Tax year	Prior 3 years			
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed	N/A				
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter: (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter: (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year—see page 28 of the instructions.)

1 Information Regarding Foundation Managers:

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

PAUL AND SUSAN ROSENAU

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

N/A

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ▶ ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

PAUL & SUSAN ROSENAU, 212 15TH AVENUE NE, SUITE #1040, WASECA, MN 56093

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

LETTER OUTLINING PROJECT, INCLUDING FINANCIAL DATA

c Any submission deadlines.

NONE

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

CHILDHOOD DISEASES AND NEWBORN SCREENING FOR DISEASE, PARTICULARLY KRABBE'S AND CYSTIC FIBROSIS

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
1. Cystic Fibrosis Foundation 8011-34th Avenue South Suite 116 Bloomington, MN 55425	n/a	P	Research for a cure for Cystic Fibrosis	250,000.00
2. Duke Medical Center Pediatric Blood & Marrow Transplant Program Durham, NC 27708	n/a	P	Research for a cure for Krabbe's Disease	250,000.00
3. Mayo Clinic 200 First Street SW Rochester, MN 55905	n/a	P	Newborn screening study - Dietrich Matern, M.D.	289,000.00
4. Medical Foundation at U of NC 103 South Building Campus Box 9100 Chapel Hill, NC 27599	n/a	P	Research for a cure for Krabbe's Disease	531,000.00
Total ▶ 3a				1,320,000.00
b Approved for future payment				
1. Duke Medical Center Pediatric Blood & Marrow Transplant Program Durham, NC 27708	n/a	P	Research for a cure for Krabbe's Disease	750,000.00
Total ▶ 3b				750,000.00

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue:					
a	N/A				
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities					
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					
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue: a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)					

13 Total. Add line 12, columns (b), (d), and (e) . . . 13

(See worksheet in line 13 instructions on page 29 to verify calculations.)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See page 29 of the instructions)
	N/A

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

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

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

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		

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge

Signature of officer or trustee: [signatures] Date: 2/24/11 Title: CO-CHAIRS

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☑ if self-employed	PTIN
J PATRICK PLUNKETT	[signature]	2-24-11		P01388207
Firm's name ► MOORE, COSTELLO & HART, P.L L P			Firm's EIN ►	41-0731979
Firm's address ► 55 E 5TH ST , SUITE 1400, ST. PAUL, MN 55101			Phone no	651-227-7683

The Legacy of Angels
E.I.N. 26-3070514

Form 990-PF 2010
Interest
Part I, Line 3

	Description	Amount
1.	Roundbank Community w/int. checking Account # 4432036699	13.34
TOTAL INTEREST, Part I, Line 3:		**$ 13.34**

The Legacy of Angels
E.I.N. 26-3070514

Form 990-PF 2010
Dividends and Interest from Securities
Part I, Line 4

Description		Amount
The Principal Financial Group Account No. N8R-008010		$276,750.75
Paid in 2010	$252,014.68	
Paid in 2011	24,736.07	
TOTAL DIVIDENDS & INTEREST FROM SECURITIES, Part I, Line 4:		**$276,750.75**

THE LEGACY OF ANGELS
FORM 990-PF – 2010
TAX I.D. NO. 26-3070514

Part IV, Lines 1 & 2,
Capital Gains & Losses for Tax on Investment Income

Description	How Purchased: P- Purchased C - Contribution	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Gain or (Loss) On Sale
1. 17,301 Shs Principal Investor Income Fund, Class 1	P	06/15/09	03/24/10	160,207.61	150,000.00	10,207.61
2. 8,261 Shs Principal Investor Income Fund; Class 1	P	07/01/09	03/24/10	76,492.39	72,114.31	4,378.08
3. 8,922 Shs Principal Investor Income Fund; Class 1	P	07/01/09	04/01/10	82,703.36	77,885.69	4,817.67
4 43 Shs Principal Investor Income Fund Class 1	P	07/02/09	04/01/10	395.11	372.09	23.02
5. 3,981 Shs Principal Investor Income Fund Class 1	P	07/13/09	04/01/10	36,901.53	34,990.78	1,910.75

THE LEGACY OF ANGELS
FORM 990-PF – 2010
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Part IV, Lines 1 & 2,
Capital Gains & Losses for Tax on Investment Income

Description	How Purchased: P- Purchased C - Contribution	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Gain or (Loss) On Sale
6. 13,084 Shs Principal Investor Income Fund Class 1	P	07/13/09	07/07/10	123,383.04	115,009.22	8,373.82
7. 16,968 Shs Principal Investor Income Fund Class 1	P	07/27/09	07/07/10	160,011.32	150,000.00	10,011.32
8. 236 Shs Principal Investor Income Fund Class 1	P	08/04/09	07/07/10	2,223.11	2,121.74	101.37
9. 16,667 Shs Principal Investor Income Fund Class 1	P	08/10/09	07/07/10	157,166.67	150,000.00	7,166.67

THE LEGACY OF ANGELS
FORM 990-PF – 2010
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Part IV, Lines 1 & 2,
Capital Gains & Losses for Tax on Investment Income

Description	How Purchased: P- Purchased C - Contribution	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Gain or (Loss) On Sale
10. 6,067 Shs Principal Investor Income Fund Class 1	P	08/26/09	07/07/10	57,215.86	55,031.58	2,184.28
11. 14,652 Shs Principal Investor Income Fund Class 1	P	06/15/09	01/05/10	160,000.00	156,190.48	3,809.52
12 18,181 Shs Principal Investor Mortgage Securities Fund	P	06/15/09	01/06/10	198,536.59	193,809.52	4,727.07
13. 9,292 Shs Principal Investor Mortgage Securities Fund	P	07/01/09	01/06/10	101,463.41	99,512.19	1,951.22

THE LEGACY OF ANGELS
FORM 990-PF – 2010
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Part IV, Lines 1 & 2,
Capital Gains & Losses for Tax on Investment Income

Description	How Purchased: P- Purchased C - Contribution	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Gain or (Loss) On Sale
14. 21,597 Shs Principal Investor Mortgage Securities Fund	P	07/01/09	03/24/10	236,700.00	231,300.81	5,399.19
15. 1,792 Shs Principal Investor Mortgage Securities Fund	P	07/01/09	04/01/10	19,563.22	19,187.00	376.22
16. 49 Shs Principal Investor Mortgage Securities Fund	P	07/02/09	04/01/10	539.02	528.16	10.86

THE LEGACY OF ANGELS
FORM 990-PF – 2010
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Part IV, Lines 1 & 2,
Capital Gains & Losses for Tax on Investment Income

Description	How Purchased: P- Purchased C - Contribution	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Gain or (Loss) On Sale
17. 5,485 Shs Principal Investor Mortgage Securities Fund	P	07/13/09	04/01/10	59,897.76	59,129.84	767.92
18. 2,831 Shs Principal Investor Mortgage Securities Fund	P	07/13/09	04/28/10	31,000.00	30,518.72	481.28
19. 1,084 Shs Principal Investor Mortgage Securities Fund	P	07/13/09	06/01/10	12,000.00	11,685.64	314.36
20. 23,067 Shs Principal Investor Mortgage Securities Fund	P	07/13/09	07/07/10	257,892.72	248,665.80	9,226.92

THE LEGACY OF ANGELS
FORM 990-PF – 2010
TAX I.D. NO. 26-3070514

Part IV, Lines 1 & 2,
Capital Gains & Losses for Tax on Investment Income

Description	How Purchased: P- Purchased C - Contribution	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Gain or (Loss) On Sale
21. 32,619 Shs Principal Investor Mortgage Securities Fund	P	07/27/09	07/07/10	364,678.48	350,000.00	14,678.48
22. 308 Shs Principal Investor Mortgage Securities Fund	P	08/04/09	07/07/10	3,448.42	3,318.87	129.55
23. 24,506 Shs Principal Investor Mortgage Securities Fund	P	08/10/09	07/07/10	273,980.38	262,952.54	11,027 84
24. 19,824 Shs Principal Investor Short-Term Income Fund	P	08/18/09	03/23/10	236,700.00	231,545.73	5,154.27

THE LEGACY OF ANGELS
FORM 990-PF – 2010
TAX I.D. NO. 26-3070514

Part IV, Lines 1 & 2,
Capital Gains & Losses for Tax on Investment Income

Description	How Purchased: P- Purchased C - Contribution	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Gain or (Loss) On Sale
25. 8,382 Shs Principal Investor Short-Term Income Fund	P	08/18/09	04/01/10	100,000.00	97,904.45	2,095.55
26. 25,187 Shs Principal Investor Short-Term Income Fund	P	09/17/09	09/14/10	304,766.28	296,706.35	8,059.93
27. 32,119 Shs Principal Investor Short-Term Income Fund	P	06/18/09	09/14/10	388,637.07	375,147.19	13,489.88
28. 545 Shs Principal Investor Short-Term Income Fund	P	09/02/09	09/14/10	6,596.65	6,400.39	196.26

THE LEGACY OF ANGELS
FORM 990-PF – 2010
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Part IV, Lines 1 & 2,
Capital Gains & Losses for Tax on Investment Income

Description	How Purchased: P- Purchased C - Contribution	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Gain or (Loss) On Sale
29. 22,259 Shs Principal Investor Short-Term Income Fund	P	09/17/09	09/22/10	270,000.00	262,209.39	7,790.61
30. 46,545.4550 Shs Principal Investor Short-Term Income Fund; Class 1	P	09/17/09	11/29/10	563,200.00	548,305.46	14,894.54
31. 8,112.5310 Shs Principal Government & High Quality Bond Fund	P	08/10/09	11/29/10	91,103.72	87,047.46	4,056.26
32. 32,347 5050 Shs Principal Government & High Quality Bond Fund	P	08/26/09	11/29/10	363,262.49	350,000.00	13,262.49

THE LEGACY OF ANGELS
FORM 990-PF – 2010
TAX I.D. NO. 26-3070514

Part IV, Lines 1 & 2,
Capital Gains & Losses for Tax on Investment Income

Description	How Purchased: P- Purchased C - Contribution	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Gain or (Loss) On Sale
33. 526.5030 Shs Principal Government & High Quality Bond Fund	P	08/31/09	11/29/10	5,912.63	5,707.29	205.34
34. 46.4080 Shs Principal Government & High Quality Bond Fund	P	09/11/09	11/29/10	521.16	503.99	17.17
35. 10,470 6080 Shs Principal Income Fund; Class 1	P	08/26/09	11/29/10	100,308.43	94,968.42	5,340.01
36. 392.1910 Shs Principal Income Fund; Class 1	P	08/31/09	11/29/10	3,757.19	3,565.02	192.17

THE LEGACY OF ANGELS
FORM 990-PF – 2010
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Part IV, Lines 1 & 2,
Capital Gains & Losses for Tax on Investment Income

Description	How Purchased: P- Purchased C - Contribution	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Gain or (Loss) On Sale
37. 10,648.4150 Shs Principal Income Fund; Class 1	P	09/11/09	11/29/10	102,011.82	97,433.00	4,578.82
38. 5,211.1240 Shs Principal Income Fund, Class 1	P	09/21/09	11/29/10	49,922.56	47,786.01	2,136.55
39. Goldman Sachs Growth Opportunity Fund CIA – LTCG Distribution	P	12/10/10	12/10/10	386.54	0.00	386.54
40. Principal Large Cap Corp Growth Fund II, Class 1 – LTCG Distribution	P	12/14/10	12/14/10	600.48	0.00	600.48

THE LEGACY OF ANGELS
FORM 990-PF – 2010
TAX I.D. NO. 26-3070514

Part IV, Lines 1 & 2,
Capital Gains & Losses for Tax on Investment Income

Description	How Purchased: P- Purchased C - Contribution	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Gain or (Loss) On Sale
41. Principal Preferred Securities Fund, Class 1 – LTCG Distribution	P	12/14/10	12/14/10	262.86	0.00	262.86
42. Principal Capital Appreciation, Class 1	P	12/14/10	12/14/10	12,761.85	0.00	12,761.85
43. Principal High Yield Class 1 – LTCG Distribution	P	12/14/10	12/14/10	1,026.90	0.00	1,026.90
44. Principal Diversified Real Asset Fund, Class 1 – LTCG Distribution	P	12/14/10	12/14/10	117.97	0.00	117 97

THE LEGACY OF ANGELS
FORM 990-PF – 2010
TAX I.D. NO. 26-3070514

Part IV, Lines 1 & 2,
Capital Gains & Losses for Tax on Investment Income

Description	How Purchased: P- Purchased C - Contribution	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Gain or (Loss) On Sale
45. Principal Global Diversified Income Fund, Class 1 – LTCG Distribution	P	12/14/10	12/14/10	1,872.20	0.00	1,872.20
46. Federated Alabama Muni Cash Fund Trust – LTCG Distribution	P	12/21/10	12/21/10	32.36	0.00	32.36
47. Principal Preferred Securities Fund, Class 1 – LTCG Distribution	P	12/14/10	12/14/10	151.65	0.00	151.65
48 Principal Capital Appreciation Fund, Class 1 – STCG Distribution	P	12/14/10	12/14/10	500 75	0.00	500 75

THE LEGACY OF ANGELS
FORM 990-PF – 2010
TAX I.D. NO. 26-3070514

Part IV, Lines 1 & 2,
Capital Gains & Losses for Tax on Investment Income

Description	How Purchased: P- Purchased C - Contribution	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Gain or (Loss) On Sale
49. Principal High Yield, Class 1 – STCG Distribution	P	12/14/10	12/14/10	279.21	0.00	279.21
50. Principal Diversified Real Asset Fund, Class 1 – STCG Distribution	P	12/14/10	12/14/10	1,568.35	0.00	1,568.35
51. Principal Global Diversified Income Fund 1 – STCG Distribution	P	12/14/10	12/14/10	4,172.50	0.00	4,172.50
				$5,186,833.62	$4,979,555.13	$ 207,278.49

CAPITAL GAIN NET INCOME, Part IV, Line 2 .... $ 207,278.49

The Legacy of Angels
E.I.N. 26-3070514

Form 990-PF 2010
Amount Deemed Net Investment Income
From Annuities IRC §72(u)
Part I, Line 11

	Description	Amount
1.	John Hancock Annuity Contract # 2606918 Annuitant: Paul Rosenau	$ 231,234.00
2.	John Hancock Annuity Contract # 2606919 Annuitant: Susan Rosenau	227,863.06
3.	Pacific Life Annuity Contract # VR0864222 Annuitant: Paul Rosenau	563,361.78
4.	Pacific Life Annuity Contract # VR0864216 Annuitant: Susan Rosenau	559,394.65
5.	Guardian Life Annuity Contract # 600011464 Annuitant: Paul Rosenau	179,764.36
6.	Guardian Life Annuity Contract # 600011463 Annuitant: Susan Rosenau	179,764.36
7.	Principal Financial Annuity Contract # 5429729 Annuitant: Paul Rosenau	236,724.31
8.	Principal Financial Annuity Contract # 5429853 Annuitant: Susan Rosenau	275,082.50

The Legacy of Angels
E.I.N. 26-3070514

Form 990-PF 2010
Amount Deemed Net Investment Income
From Annuities IRC §72(U)
Part I, Line 11

Description		Amount
9.	Lincoln Financial Am. Leg. III Contract No. 95-4477830 Annuitant: Susan Rosenau	447,925.15
TOTAL, Part I, Line 11:		**$ 2,901,114.17**

The Legacy of Angels
E.I.N. 26-3070514

Form 990-PF 2010
Legal Fees
Part I, Line 16

Description	**Amount**
Moore, Costello & Hart P.L.L.P. Professional Services Rendered	$ 14,212.79
TOTAL LEGAL FEES, Part I, Line 16:	**$ 14,212.79**

The Legacy of Angels
E.I.N. 26-3070514

Form 990-PF 2010
Travel, Conferences & Meetings
Part I, Line 21

	Description	Amount
1.	Delta Airlines – Travel re: Grants	$ 518.80
2.	Delta – Baggage Fees	138.00
3.	Hampton Inn – Hotel re: Grants	98.02
4.	Medical Foundation of U of NC – Parking Fee	4.50
5.	Millenium Hotel - Duke	300.54
6.	Exon Shop – Travel Expense	4.77
7.	Alamo – Car Rental/Duke	144.56
8.	Buy the Way – DeRaad Car Gas/Travel	75.00
9.	Lone Oak Market – Gas/Travel	46.12
10.	Blue Ribbon Travel – Baggage Fee	50.00
11.	LeBourget Aero – Duke/Travel	104.51
12.	Hyatt Regancy – Hotel/Cystic Fibrosis Breath of Life	136.51
TOTAL TRAVEL, CONFERENCES & MEETINGS Part 1, Line 21:		**$ 1,621.33**

The Legacy of Angels
E.I.N. 26-3070514

Form 990-PF 2010
Other Expenses
Part I, Line 23 (Column A)

	Description		Amount
1.	Moore, Costello & Hart, P.L.L.P. - Reimbursement for the following Disbursements		$ 25.00
	• State of Minnesota – Filing fee re: 2009 Form 990-PF	25.00	
2.	Office Supplies re: Foundation		427.31
	• Radio Shack – UBS Cable	35.26	
	• Office Max – Tax File	31.76	
	• Trade Office Supply - Printer Ink/Hangers	333.85	
	• Walmart –Office Supplies	26.44	
3.	Pantheon Computer Systems - Service Computer		51.75
4.	Cystic Fibrosis Foundation – Registration Fee re: Breath of Life Gala		600.00
5.	U.S. Postal Service - Postage		9.27
6.	Sportman – Federal Express Fees		45.30
7.	Business Meals paid in Connection with Travel, Meetings, etc.		190.96
	• The Boathouse	14.70	
	• California Pizza Kitchen	14.44	
	• Three Rivers Lodge	50.73	
	• Top of the Hill	39.93	
	• El Molino	42.86	
	• The Dug Out	6.92	
	• Panera Bread	21.38	

TOTAL OTHER EXPENSES, Part 1, Line 23 (Col A): **$ 1,349.59**

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Other Expenses
Part I, Line 23 (Column B)

Description		**Amount**
Expenses, Part 1, Line 23 (Column A)	1,349.59	$ 1,254.11
Less 50% of Business Meeting Expense	(95.48)	
TOTAL OTHER EXPENSES Part 1, Line 23 (Col B):		**$ 1,254.11**

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Form 990-PF 2010
Part II, Balance Sheet
Savings & Temporary Cash Investments
Part II, Line 2

	Description		End of Year (b) Book Value	End of Year (c) Fair Market Value
1.	Roundbank Community w/int. Checking Account # 4432036699 Balance on Hand		$ 4,409.58	$ 4,409.58
2.	The Principal Financial Group Money Market Fund Account # N8R-008010		375,634.15	375,634.15
	• Balance on hand 12/31/09	350,898.08		
	• Plus 2010-1099 Income Posted in 2011	24,736.07		
TOTAL & TEMPORARY CASH INVESTMENTS, Part II, Line 2:			**$380,043.73**	**$380,043.73**

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Part II, Balance Sheet
Investments
Part II, Line 10b

	Description	End of Year (b) Book Value	(c) Fair Market Value
1.	2159.280 Shs Aberdeen Equity Long Short Fund; Class A	24,000.00	24,853.31
2.	3746.075 Shs Credit Suisse Commodity Return Strat Fund Common Cl	32,332.41	34,988.34
3.	1,712.869 Shs Europacific Growth Fund; Class F-1	66,951.87	70,501.69
4.	1,793.432 Shs Goldman Sachs Growth Opportunity Fund; Class A	36,386.54	41,177.20
5.	5,099.552 Shs MFS Value Fund; Class A	109,382.28	116,320.78
6.	15,175.995 Principal Large Cap Corp Growth Fund II; Class 1	115,670.33	125,657.24
7.	3,223.997 Shs Principal Midcap Value I Fund; Class 1	36,481.56	42,073.16
8.	7,263.413 Shs Principal Preferred Securities Fund; Class 1	63,400.51	71,689.89
9.	12,444.458 Shs Principal Capital Appreciation Fund; Class 1	420,231.59	484,213.86

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Form 990-PF 2010
Part II, Balance Sheet
Investments
Part II, Line 10b

		End of Year	
	Description	**(b) Book Value**	**(c) Fair Market Value**
10.	206,020.713 Shs Principal Short-Term Income Fund; Class 1	2,467,173.72	2,480,489.39
11.	110,417.380 Shs Principal Government & High Quality Bond Fund; Class 1	1,199,155.71	1,221,216.22
12.	71,111.386 Shs Principal Income Fund; Class 1	667,944.62	673,424.83
13.	8,729.743 Shs Principal High Yield; Class 1	65,434.37	69,314.16
14.	69,546.817 Shs Principal Diversified Real Asset Fund; Class 1	707,811.83	799,092.93
15.	57,538.954 Shs Principal Global Diversified Income Fund; Class 1	729,474.62	760,089.58
16.	11,880.487 Shs Templeton Foreign Fund; Class A	79,450.39	82,925.80
17.	696.000 Shs Ishares Tr MSCI Emerging Markets Index Fund	29,971.73	33,158.83
18.	584.000 Shs Ishares Tr Russell 2000 Value Index Fund	36,002.49	41,516.56

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Part II, Balance Sheet
Investments
Part II, Line 10b

		End of Year	
	Description	**(b) Book Value**	**(c) Fair Market Value**
19.	501.00 Shs Ishares Tr Russell 2000 Growth Index Fund	35,923.72	43,797.42
Part II, Balance Sheet Investment Line 10b:		**$ 6,923,180.29**	**$ 7,216,501.19**

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Part II, Balance Sheet
Assets, Line 13

	Description – Annuity Contracts	End of Year (A) (b) Book Value	(B) (c) Fair Market Value
1.	Pacific Life Non-Qualified Variable Annuity Contract #VR 08064216 Annuitant: Susan Rosenau	4,324,131.49	4,494,601.38
2.	Pacific Life Non-Qualified Variable Annuity Contract #VR 08064222 Annuitant: Paul Rosenau	4,357,705.25	4,528,177.90
3.	John Hancock Non-Qualified Annuity Contract # 2606919 Annuitant: Susan Rosenau	2,026,823.60	2,105,616.99
4.	John Hancock Non-Qualified Annuity Contract # 2606918 Annuitant: Paul Rosenau	2,179,834.35	2,258,630.89
5.	The Guardian Insurance & Annuity Company Non-Qualified Annuity Contract # 600011464 Annuitant: Paul Rosenau	1,534,632.41	1,591,415.45
6.	The Guardian Insurance & Annuity Company Non-Qualified Annuity Contract # 600011463 Annuitant: Susan Rosenau	1,531,343.92	1,588,872.63

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Form 990-PF 2010
Part II, Balance Sheet
Assets, Line 13

		End of Year	
		(A)	(B)
	Description – Annuity Contracts	**(b) Book Value**	**(c) Fair Market Value**
7.	Principal Financial Non-Qualified Annuity Contract # 5429729 Annuitant: Paul Rosenau	2,240,369.29	2,337,668.67
8.	Principal Financial Non-Qualified Annuity Contract # 5429853 Annuitant: Susan Rosenau	2,278,727.48	2,376,026.86
9.	Lincoln Financial Group Non-Qualified Annuity Contract Am. Leg. III No. 95-4477830 Annuitant: Susan Rosenau	3,624,102.18	3,796,569.04
	Description – Life Insurance Policies		
10.	Principal Life Ins. Co. Amt of Ins: $5,000,000 Policy # 6113382 Insured: Paul Rosenau	345,000.00	302,897.27
11.	Principal Life Ins. Co. Amt of Ins: $3,000,000 Policy # 6106175 Insured: Susan Rosenau	100,000.00	95,092.53
TOTAL ASSETS, Part II, Line 13:		**$24,542,669.97**	**$25,475,569.61**

Note: Book Value of Annuity Contracts reflect the initial premium plus other income included in net investment income for 2009 and 2010, less withdrawals received to date.

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Form 990-PF 2010
Accounting Fees
Part I, Line 16b

	Description	**Amount**
1.	The Principal Financial Group Account N8R-008010 Investment Fees	$ 35,740.73
TOTAL ACCOUNTING FEES, Part 1, Line 16b:		**$ 35,740.73**

Other Professional Fees
Part I, Line 16c

	Description	**Amount**
1.	DeRaad & Goetz – Professional Services Rendered	$ 750.00
2.	Maureen Gartzke - Consulting Fees	31,653.40
3.	SRSI Services, Inc. – Security Services Rendered	240.14
TOTAL OTHER PROFESSIONAL FEES, Part I, Line 16c:		**$ 32,643.54**

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Form 990-PF 2010
Taxes
Part I, Line 18

	Description	Amount
1.	United States Treasury – 2009 Excise Tax on Net Investment Income	$ 38,951.00
2.	United States Treasury – 2010 Estimated Excise Tax Payments 5/15/10 $ 10,000.00 6/15/10 $ 10,000.00 9/15/10 $ 10,000.00 12/15/10 $ 40,000.00	70,000.00
TOTAL TAXES, Part I, Line 18:		**$ 108,951.00**

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Form 990-PF 2010
Occupancy Expense
Part I, Line 20

	Description	Amount
1.	Jaguar Communications – Phone Service Allocable to the Foundation	303.76
2.	Verizon Wireless – Cell Phone Service Allocable to the Foundation	149.38
3.	Verizon Wireless – Utilities Allocable to Foundation	569.94
	TOTAL OCCUPANCY EXPENSES, Part I, Line 20:	**$ 1,023.08**