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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

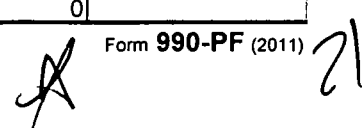
2011**For calendar year 2011 or tax year beginning , and ending**

Name of foundation Leo C. Parent Scholarship Trust II		A Employer identification number 26-6312571
Number and street (or P O box number if mail is not delivered to street address)	Room/suite	B Telephone number (see instructions) 701-795-3211
2300 South Columbia Rd c/o Alerus Financial		
City or town, state, and ZIP code Grand Forks ND 58201		C If exemption application is pending, check here ☐
G Check all that apply ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 1,122,642	J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

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 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	49	49		
	4 Dividends and interest from securities	37,122	37,122		
	5 a Gross rents		0		
	b Net rental income or (loss)	0			
	6 a Net gain or (loss) from sale of assets not on line 10	31,097			
	b Gross sales price for all assets on line 6a	317,100			
	7 Capital gain net income (from Part IV, line 2)		31,097		
	8 Net short-term capital gain				
	9 Income modifications				
	10 a Gross sales less returns and allowances	0			
b Less Cost of goods sold	0				
c Gross profit or (loss) (attach schedule)	0				
11 Other income (attach schedule)	0	0			
12 Total. Add lines 1 through 11	68,268	68,268			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	12,579	8,386		4,193
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16 a Legal fees (attach schedule)	0	0	0	0
	b Accounting fees (attach schedule)	494	0	0	0
	c Other professional fees (attach schedule)	0	0	0	0
	17 Interest	360			
	18 Taxes (attach schedule) (see instructions)	1,706	1,706	0	0
	19 Depreciation (attach schedule) and depletion	0	0	0	
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	512	0	0	0
	24 Total operating and administrative expenses. Add lines 13 through 23	15,651	10,092	0	4,193
	25 Contributions, gifts, grants paid	30,600			30,600
26 Total expenses and disbursements. Add lines 24 and 25	46,251	10,092	0	34,793	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	22,017				
b Net investment income (if negative, enter -0-)		58,176			
c Adjusted net income (if negative, enter -0-)			0		

For Paperwork Reduction Act Notice, see instructions.

(HTA)

Form **990-PF** (2011)


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	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing			
	2 Savings and temporary cash investments	32,171	36,464	36,464
	3 Accounts receivable	0		
	Less allowance for doubtful accounts	0	0	0
	4 Pledges receivable	0		
	Less allowance for doubtful accounts	0	0	0
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)	0	0	0
	7 Other notes and loans receivable (attach schedule)	0		
	Less allowance for doubtful accounts	0	0	0
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10 a Investments—U.S. and state government obligations (attach schedule)	0	0	0
	b Investments—corporate stock (attach schedule)	718,846	738,238	778,978
	c Investments—corporate bonds (attach schedule)	300,398	298,730	307,200
	11 Investments—land, buildings, and equipment basis	0		
Less accumulated depreciation (attach schedule)	0	0	0	
12 Investments—mortgage loans				
13 Investments—other (attach schedule)	0	0	0	
14 Land, buildings, and equipment basis	0			
Less accumulated depreciation (attach schedule)	0	0	0	
15 Other assets (describe)	0	0	0	
16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	1,051,415	1,073,432	1,122,642	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons	0	0	
	21 Mortgages and other notes payable (attach schedule)	0	0	
	22 Other liabilities (describe)	0	0	
	23 Total liabilities (add lines 17 through 22)	0	0	
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	1,047,906	1,047,906	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	3,509	25,526	
	30 Total net assets or fund balances (see instructions)	1,051,415	1,073,432	
	31 Total liabilities and net assets/fund balances (see instructions)	1,051,415	1,073,432	

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	1,051,415
2 Enter amount from Part I, line 27a	2	22,017
3 Other increases not included in line 2 (itemize)	3	0
4 Add lines 1, 2, and 3	4	1,073,432
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	1,073,432

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 STCG/(L) See schedule		P	var	var
b LTCG See Schedule		P	var	var
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 49,975	0	60,481	-10,506
b 266,588	0	225,522	41,066
c 0	0	0	0
d 0	0	0	0
e 0	0	0	0

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a 0	0	0	-10,506
b 0	0	0	41,066
c 0	0	0	0
d 0	0	0	0
e 0	0	0	0

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	31,097
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 instructions). If (loss), enter -0- in Part I, line 8	3	0

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.

(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))
2010	35,478	1,101,106	0.032220
2009	0	0	0.000000
2008			0.000000
2007			0.000000
2006			0.000000

2 Total of line 1, column (d)	2	0.032220
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	0.016110
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	1,139,982
5 Multiply line 4 by line 3	5	18,365
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	582
7 Add lines 5 and 6	7	18,947
8 Enter qualifying distributions from Part XII, line 4 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.	8	34,793

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

1 a 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	582
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	582
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	582
6 Credits/Payments			
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a	853	
b Exempt foreign organizations—tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	0	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	853	
8 Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	0	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	271	
11 Enter the amount of line 10 to be Credited to 2012 estimated tax ☒ 271 Refunded ☐	11	0	

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the 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 ☒ \$ _____ (2) On foundation managers ☒ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ☒ \$ _____		
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
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		
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	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) ☒ ND		
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 2011 or the taxable year beginning in 2011 (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	

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 make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ none	13	X	
14	The books are in care of ▶ Alerus Financial Telephone no. ▶ (701) 795-3211 Located at ▶ 2300 South Columbia Rd Grand Forks ND ZIP+4 ▶ 58201			
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			
16	At any time during calendar year 2011, 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? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ▶	16	Yes	No
				X

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? ☐ 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 instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ ☐	1b	N/A
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 2011?	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 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? ☐ Yes ☒ No If "Yes," list the years ▶ 20 , 20 , 20 , 20		
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)	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 2011 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 2011)	3b	N/A
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 2011?	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)? (see 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 instructions)?

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?

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

☐ Yes ☐ No**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?

If "Yes" to 6b, file Form 8870

6b

X

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**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 (see 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
Alerus Financial 2300 S Columbia Rd Grand Forks ND 58201	Trustee 1.00	12,579	0	0
	.00	0	0	0
	.00	0	0	0
	.00	0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1—see 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
NONE				

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

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 instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		0
.....		0
.....		0
.....		0
.....		0
.....		0
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 None	
.....	
2	
.....	
3	
.....	
4	
.....	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 None	
.....	
2	
.....	
All other program-related investments See instructions	
3	
.....	0
Total. Add lines 1 through 3	0

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	1,123,024
b	Average of monthly cash balances	1b	34,318
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	1,157,342
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	1,157,342
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	17,360
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,139,982
6	Minimum investment return. Enter 5% of line 5	6	56,999

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

1	Minimum investment return from Part X, line 6	1	56,999
2a	Tax on investment income for 2011 from Part VI, line 5	2a	582
b	Income tax for 2011 (This does not include the tax from Part VI.)	2b	0
c	Add lines 2a and 2b	2c	582
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	56,417
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	56,417
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	56,417

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	34,793
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	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	34,793
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 instructions)	5	582
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	34,211

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 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				56,417
2 Undistributed income, if any, as of the end of 2011.				
a Enter amount for 2010 only			0	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2011:				
a From 2006	0			
b From 2007	0			
c From 2008	0			
d From 2009	0			
e From 2010	8,426			
f Total of lines 3a through e	8,426			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ 34,793				
a Applied to 2010, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see instructions)		0		
c Treated as distributions out of corpus (Election required—see instructions)	0			
d Applied to 2011 distributable amount				34,793
e Remaining amount distributed out of corpus	0			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))	8,426			8,426
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0			
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				
d Subtract line 6c from line 6b Taxable amount—see instructions		0		
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				13,198
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	0			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9				
a Excess from 2007	0			
b Excess from 2008	0			
c Excess from 2009	0			
d Excess from 2010	0			
e Excess from 2011	0			

N/A

- 1 a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, 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)

- 2 a** Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

Tax year	Prior 3 years			(e) Total
(a) 2011	(b) 2010	(c) 2009	(d) 2008	
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
				0
0	0	0	0	0
				0
				0
0	0	0	0	0
				0
				0
0	0	0	0	0
				0
				0
				0

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

- ## 1 Information Regarding Foundation Managers:

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

None

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

None

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

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

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

Alerus Financial - Claire Herland 2300 S Columbia Rd Grand Forks ND 58201 (701) 795-3325

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

Application can be requested from Claire Herland, Alerus Financial

- c. Any submission deadlines

Varies

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

Scholarships of \$1,200 for tuition and books to the University of ND or to any institution of higher learning in MN. See attached schedule

Continuation of Part XV, Line 3a (990-PF) - Grants and Contributions Paid During the Year

Recipient(s) paid during the year

Name

Minnesota State University - Moorhead

Street

1104 7th Ave S

City

Moorhead

State

MN

Zip Code

56563

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

Scholarships

Amount

600

Name

Northwestern College

Street

3003 Snelling Ave N

City

St Paul

State

MN

Zip Code

55113

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

Scholarships

Amount

1,200

Name

Street

City

State

Zip Code

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

Amount

0

Name

Street

City

State

Zip Code

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

Amount

0

Name

Street

City

State

Zip Code

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

Amount

0

Name

Street

City

State

Zip Code

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

Amount

0

Name of the organization

▶ **Attach to Form 990 or 990-EZ.**

OMB No 1545-0047

Open to Public Inspection

Employer Identification number

26-6312571

Leo C Parent Scholarship Trust II

Line 18 (990-PF) - Taxes

		1,706	1,706	0	0
	Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1	Federal Excise tax 2010	1,979	1,979		
2	Fed estimate 2011	500	500		
3	Fed refund 2010	-773	-773		
4					
5					
6					
7					
8					
9					
10					

Line 23 (990-PF) - Other Expenses

		512	0	0	0
	Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1		512			
2					
3					
4					
5					
6					
7					
8					
9					

Part II, Line 10b (990-PF) - Investments - Corporate Stock

		718,846	738,238	855,404	778,978	
	Description	Num Shares/ Face Value	Book Value Beg. of Year	Book Value End of Year	FMV Beg. of Year	FMV End of Year
1	See attached schedule US Equity		582,289	601,930	699,455	655,812
2	See attached schedule - International Equity		136,557	136,308	155,949	123,166
3						
4						
5						
6						
7						
8						
9						
10						

Part II, Line 10c (990-PF) - Investments - Corporate Bonds

		300,398		298,730		304,465		307,200	
	Description	Interest Rate	Maturity Date	Book Value Beg. of Year	Book Value End of Year	FMV Beg. of Year	FMV End of Year		
1	CTF-B			300,398	298,730	304,465	307,200		
2									
3									
4									
5									
6									
7									
8									
9									
10									

Part IV (990-PF) - Capital Gains and Losses for Tax on Investment Income

		Amount																							
		Long Term CG Distributions		Short Term CG Distributions		537		0																	
	Kind(s) of Property Sold	CUSIP #	How Acquired	Date Acquired	Date Sold	Gross Sales Price	Depreciation Allowed	Cost or Other Basis Plus Expense of Sale	Gain or Loss	F M V as of 12/31/69	Adjusted Basis as of 12/31/69	Excess of FMV Over Adj Basis	Gains Minus Excess of FMV Over Adjusted Basis or Losses												
1	STCG(L) See schedule		P	var	var	49,975	0	60,481	-10,506			0	-10,506												
2	LTCG See Schedule		P	var	var	266,588	0	225,522	41,066			0	41,066												
3						0	0	0	0			0	0												
4						0	0	0	0			0	0												
5						0	0	0	0			0	0												
6						0	0	0	0			0	0												
7						0	0	0	0			0	0												
8						0	0	0	0			0	0												
9						0	0	0	0			0	0												
10						0	0	0	0			0	0												

Description	12/31/11		
	Units	Basis	BV
Federated	33,126.640	1.00	33,126.64
Northern	1,075.500	1.00	1,075.50
TOTAL	34,202.140		34,202.14
Less income tax payable			
CTF B	33,567.17	8.90	298,729.64
AFLAC INC	245.00	40.96	10,035.54
AT&T INC	335.00	25.68	8,601.29
ABBOTT LABRATORIES	330.00	46.65	15,394.50
ACTIVISION BLIZZARD INC	-		-
ADOBE SYSTEMS INC	-		-
AMAZON.COM INC	-		-
AMERICAN EXPRESS COMPANY	175.00	49.88	8,729.32
APACHE CORPORATION	115.00	84.51	9,718.65
APPLE COMPUTER	36.00	328.24	11,816.81
BMC SOFTWARE	-		-
BAKER HUGHES INC CS	70.00	40.84	2,858.80
BANK OF AMERICA CORPORATION	-		-
BARD C R INC COM	60.00	94.84	5,690.35
BAXTER INTERNATIONAL INC	90.00	48.63	4,376.64
BECTON DICKINSON & COMPANY	50.00	67.45	3,372.50
BOEING COMPANY	135.00	64.53	8,711.07
BROADCOM CORP	75.00	34.67	2,600.18
BUFFALO SMALL CAP FD INC	-		-
CARDINAL HEALTH INC	160.00	45.04	7,206.46
CME GROUP	10.00	287.91	2,879.10
CVS CORP	60.00	29.82	1,789.20
CHEVRONTEXACO CORP COM	110.00	102.46	11,270.33
CISCO SYSTEMS (6/25/10, 6/30/10)	510.00	19.71	10,054.54

Description	12/31/11		
	Units	Basis	BV
JOHNSON CONTROLS	120.00	38.86	4,662.83
JUNIPER NETWORKS	210.00	33.60	7,055.26
KHOLS CORPORATION	150.00	47.68	7,152.00
LIFE TECHNOLOGIES	-	#DIV/0!	-
MCDONALDS CORPORATION	175.00	73.43	12,849.48
MEDCO HEALTH SOLUTIONS INC	-		-
MERCK & CO INC NEW	-		-
MICROSOFT CORPORATION	600.00	23.31	13,986.00
MONSANTO COMPANY	-		-
THE MOSAIC COMPANY	55.00	63.05	3,467.59
NATIONAL OILWELL VARCO	75.00	33.02	2,476.50
NEXRTERA ENERGY INC	85.00	56.49	4,801.62
NIKE INC	70.00	83.30	5,830.73
NORFOLK SOUTHN CORP	80.00	62.88	5,030.29
ORACLE CORPORATION	280.00	21.75	6,090.00
PG&E CORP	-		-
PEABODY ENERGY CORP	80.00	39.33	3,146.40
PEPSICO INC	45.00	61.23	2,755.35
PHILIP MORRIS	180.00	45.72	8,229.60
PIMCO COMMODITY REAL RETURN	2,509.33	7.31	18,343.17
PRAXAIR INC	75.00	77.37	5,802.75
PRINCIPAL FINANCIAL GROUP	185.00	23.93	4,427.05
PROCTER & GAMBLE CO	95.00	62.49	5,936.40
** PRUDENTIAL FINANCIAL INC	125.00	54.56	6,820.18
ROCKWELL COLLINS INC	-		-
SPDR TR	185.00	116.32	21,519.07
SELECT SECTOR	-	#DIV/0!	-
STAPLES INC	-		0.00
STATE STREET CORPORATION	150.00	33.95	5,092.50
TJX COMPANIES	90.00	42.03	3,782.70
TARGET CORP	80.00	48.53	3,882.16