Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

▶ Do not enter Social Security numbers on this form as it may be made public.
▶ Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

OMB No 1545-0052

2013

Open to Public Inspection

For calendar year 2013 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): 2300 South Columbia Rd c/o Alerus Financial | Room/suite:

B Telephone number (see instructions): 701-795-3211

City or town: Grand Forks | State: ND | ZIP code: 58201

Foreign country name | Foreign province/state/county | Foreign postal code

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)* ▶ $ 1,371,659

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

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

SCANNED MAY 27 2014

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	31	31		
	4	Dividends and interest from securities	31,642	31,642		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	67,557			
	b	Gross sales price for all assets on line 6a 325,894				
	7	Capital gain net income (from Part IV, line 2)		67,557		
	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)				
	12	**Total.** Add lines 1 through 11	99,230	99,230	0	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	13,433	8,956		4,478
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)	483			
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	310			
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)				
	24	**Total operating and administrative expenses.** Add lines 13 through 23	14,226	8,956	0	4,478
	25	Contributions, gifts, grants paid	48,600			48,600
	26	**Total expenses and disbursements.** Add lines 24 and 25	62,826	8,956	0	53,078
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	36,404			
	b	**Net investment income** (if negative, enter -0-)		90,274		
	c	**Adjusted net income** (if negative, enter -0-)			0	

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For Paperwork Reduction Act Notice, see instructions.
HTA

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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	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	41,163	21,470	21,470
	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 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)	726,681	776,453	1,023,971
	c	Investments—corporate bonds (attach schedule)	324,743	331,068	326,218
	11	Investments—land, buildings, and equipment basis ▶			
		Less. accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	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)	1,092,587	1,128,991	1,371,659
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	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	44,681	81,085	
	30	**Total net assets or fund balances** (see instructions)	1,092,587	1,128,991	
	31	**Total liabilities and net assets/fund balances** (see instructions)	1,092,587	1,128,991	

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	1,092,587
2	Enter amount from Part I, line 27a	2	36,404
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,128,991
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,128,991

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	Capital Gains Distributions			
b	STCG per schedule	P	var	var
c	LTCG per schedule	P	var	var
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				0
b	49,817		48,442	1,375
c	274,452		209,895	64,557
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				0
b				1,375
c				64,557
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	67,557
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

1 Enter the appropriate amount in each column for each year, see 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))
2012	37,923	1,147,565	0 033046
2011	34,211	1,139,982	0 030010
2010	35,478	1,101,106	0 032220
2009	0	0	0 000000
2008			0 000000

2	**Total** of line 1, column (d)	2	0 095276
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 023819
4	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	1,270,206
5	Multiply line 4 by line 3	5	30,255
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	903
7	Add lines 5 and 6	7	31,158
8	Enter qualifying distributions from Part XII, line 4	8	53,078

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ 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	903
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	903
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	903
6	Credits/Payments		
a	2013 estimated tax payments and 2012 overpayment credited to 2013 — 6a		
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	0
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8	10
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	913
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	0
11	Enter the amount of line 10 to be **Credited to 2014 estimated tax** ▶ | **Refunded** ▶	11	0

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		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1b		X
	*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		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*	2		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*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
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		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	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*	7	X	
8a	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*	8b	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 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		X

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 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?	13	X	

Website address ▶ none

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

			Yes	No
16	At any time during calendar year 2013, 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		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country ▶			

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)?	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 2013?	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 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013? ☐ 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 2013 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 2013)*	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 2013?	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)? **5b** N/A

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? ☐ 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** X (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 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	13,433		

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		
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 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	
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	1,258,232
b	Average of monthly cash balances	1b	31,317
c	Fair market value of all other assets (see instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	1,289,549
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	1,289,549
4	Cash deemed held for charitable activities Enter 1 ½ % of line 3 (for greater amount, see instructions)	4	19,343
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	1,270,206
6	**Minimum investment return.** Enter 5% of line 5	6	63,510

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	63,510
2a	Tax on investment income for 2013 from Part VI, line 5	2a	903		
b	Income tax for 2013 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	903
3	Distributable amount before adjustments Subtract line 2c from line 1			3	62,607
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	62,607
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	62,607

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	53,078
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	53,078
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	903
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	52,175

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 2012	(c) 2012	(d) 2013
1	Distributable amount for 2013 from Part XI, line 7				62,607
2	Undistributed income, if any, as of the end of 2013				
a	Enter amount for 2012 only			31,491	
b	Total for prior years 20____, 20____, 20____				
3	Excess distributions carryover, if any, to 2013				
a	From 2008				
b	From 2009				
c	From 2010				
d	From 2011				
e	From 2012				
f	**Total** of lines 3a through e	0			
4	Qualifying distributions for 2013 from Part XII, line 4 ▶ $ 53,078				
a	Applied to 2012, but not more than line 2a			31,491	
b	Applied to undistributed income of prior years (Election required—see instructions)				
c	Treated as distributions out of corpus (Election required—see instructions)				
d	Applied to 2013 distributable amount				21,587
e	Remaining amount distributed out of corpus				
5	Excess distributions carryover applied to 2013 *(If an amount appears in column (d), the same amount must be shown in column (a))*				
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				
e	Undistributed income for 2012 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f	Undistributed income for 2013 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2014				41,020
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 2008 not applied on line 5 or line 7 (see instructions)				
9	**Excess distributions carryover to 2014.** Subtract lines 7 and 8 from line 6a				
10	Analysis of line 9				
a	Excess from 2009				
b	Excess from 2010				
c	Excess from 2011				
d	Excess from 2012				
e	Excess from 2013				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) **N/A**

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2013, 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 (a) 2013	Prior 3 years (b) 2012	(c) 2011	(d) 2010	(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					0
b 85% of line 2a					0
c Qualifying distributions from Part XII, line 4 for each year listed					0
d Amounts included in line 2c not used directly for active conduct of exempt activities					0
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					0
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter (1) Value of all assets					0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					0
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					0
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)					0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0
(3) Largest amount of support from an exempt organization					0
(4) Gross investment income					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 or e-mail address of the person to whom applications should be addressed

Alerus Financial - Bobbi Sondreal 2300 S Columbia Rd Grand Forks, ND 58201 (701) 795-2624

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

Application can be requested from Bobbi Sondreal, 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

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*				
University of North Dakota 264 Centennial Dr Stop 8356 Grand Forks, ND 58202-8356			Scholarships	7,800
Minnesota State University-Moorhead 1104 7th Ave S Moorhead, MN 56563			Scholarships	8,400
Concordia College 901 8th ST S Moorhead, MN 56562-0001			Scholarships	1,200
University of Minnesota - Crookston 2900 University Ave Crookston, MN 56716-5001			Scholarships	2,400
Northwest Technical College 905 Grant Ave SE Bemidji, MN 56601-4907			Scho,arships	1,200
University of Minnesota - Duluth 1049 University Dr Duluth, MN 55812			Scholarships	3,600
Northland Community College 2022 Centeral Ave NE East Grand Forks, MN 56721-2702			Scholarships	6,000
Northwestern College 3003 Snelling Ave ST Paul, MN 55113			Scholarships	4,800
St Cloud State University 720 4th Ave St Cloud, MN 56301-4498			Scholarships	2,400
University of Minnesota - Minneapolis 3 Morrill Hall Minneapolis, MN 55455			Scholarships	2,400
Association Free Lutheran Bible School 3134 Medicine Lake Blvd Plymouth, MN 55441			Scholarships	1,200
Total See Attached Statement			▶ **3a**	48,600
b *Approved for future payment*				
Total			▶ **3b**	0

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 instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	31	
4 Dividends and interest from securities			14	31,642	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	67,557	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0		99,230	0
13 **Total.** Add line 12, columns (b), (d), and (e)				13	99,230

(See worksheet in line 13 instructions 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 instructions)

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

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

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

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

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

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

Alerus Financial, Trustee by: Bobbi Sondreal, Trust & Investment Officer | 5/13/14

Signature of officer or trustee | Date | Title

May the IRS discuss this return with the preparer shown below (see instructions)? ☐ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no	

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 - Mankato					
Street					
111 Wiecking Ctr					
City		**State**	**Zip Code**	**Foreign Country**	
Mankato		MN	56001		
Relationship	**Foundation Status**				
Purpose of grant/contribution					**Amount**
Scholarships					2,400

Name					
Crown College					
Street					
8700 College View Dr					
City		**State**	**Zip Code**	**Foreign Country**	
ST Bonifacius		MN	55375		
Relationship	**Foundation Status**				
Purpose of grant/contribution					**Amount**
Scholarships					1,200

Name					
Itasca Community College					
Street					
1851 East Highway 169					
City		**State**	**Zip Code**	**Foreign Country**	
Grand Rapids		MN	55744-3397		
Relationship	**Foundation Status**				
Purpose of grant/contribution					**Amount**
Scholarships					2,400

Name					
St Cloud Technical & Community College					
Street					
1540 Northway Dr					
City		**State**	**Zip Code**	**Foreign Country**	
St Cloud		MN	56303		
Relationship	**Foundation Status**				
Purpose of grant/contribution					**Amount**
Scholarships					1,200

Name					
Street					
City		**State**	**Zip Code**	**Foreign Country**	
Relationship	**Foundation Status**				
Purpose of grant/contribution					**Amount**

Name					
Street					
City		**State**	**Zip Code**	**Foreign Country**	
Relationship	**Foundation Status**				
Purpose of grant/contribution					**Amount**

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization	Employer identification number
Leo C Parent Scholarship Trust II	26-6312571

Name of the organization	Employer identification number
Leo C Parent Scholarship Trust II	26-6312571

Alerus FINANCIAL

ALERUS FINANCIAL NA

Realized Gain/Loss Report

Run on 4/21/2014 7:17:35 AM
Start Date: 01/01/2013
End Date: 12/31/2013

Account: 1020000113
LEO C PARENT SCHOLARSHIP TRST II

Administrator: BOBBI SONDREAL 701-795-2624

Description	Sold	Acquired	Proceeds	Cost	Gain/Loss	Covered
** SHORT TERM CAPITAL GAIN (LOSS)						
60 SHARES OF BAKER HUGHES INC COMMON STOCK	01/14/2013	01/24/2012	2,525.15	2,856.74	331.59-	Covered
928.164 SHARES OF FIDELITY SPARTAN SHORT TERM TREASURY BOND INDEX ADVTG	02/25/2013	04/26/2012	9,819.97	9,857 11	37.14-	Covered
279.238 SHARES OF DIMENSIONAL EMERGING MARKETS VALUE	02/25/2013	11/09/2012	8,217.97	7,885 68	332.29	Covered
3 SHARES OF PRICELINE COM INC	05/08/2013	12/13/2012	2,192.49	1,839.97	352.52	Covered
11 SHARES OF QUALCOMM CORPORATION	08/02/2013	01/09/2013	732.26	714.34	17.92	Covered
35 SHARES OF QUALCOMM CORPORATION	08/02/2013	04/03/2013	2,329.92	2,316.24	13.68	Covered
40 SHARES OF VANGUARD REIT ETF	08/02/2013	03/01/2013	2,748 37	2,758.50	10.13-	Covered
111 SHARES OF PFIZER INC	08/02/2013	04/09/2013	3,254.53	3,250.24	4.29	Covered
55 SHARES OF COACH INC	09/06/2013	11/13/2012	2,925.17	3,023.91	98.74-	Covered
66 SHARES OF COACH INC	09/06/2013	08/02/2013	3,510.21	3,523.72	13 51-	Covered
120 SHARES OF MICROSOFT CORPORATION	09/25/2013	01/09/2013	3,903.96	3,202.38	701.58	Covered
84 SHARES OF TEVA PHARMACEUTICAL INDUSTRIES	10/11/2013	08/02/2013	3,402.16	3,275.96	126.20	Covered
80 SHARES OF MONDELEZ INTL INC	11/22/2013	03/07/2013	2,700.31	2,291.19	409.12	Covered
23 SHARES OF TARGET CORP	12/24/2013	08/02/2013	1,411.74	1,645.41	233.67-	Covered
TOTAL GAIN FROM PARTNERSHIPS, S CORPORATIONS, OR OTHER FIDUCIARIES			142.52	0.00	142.52	Covered
** TOTAL SHORT TERM CAPITAL GAIN (LOSS)			49,816.73	48,441.39	1,375.34	
** LONG TERM CAPITAL GAIN (LOSS)						
20 SHARES OF VISA INC	01/09/2013	11/10/2011	3,219.94	1,862.99	1,356.95	Covered
115 SHARES OF INTEL CORPORATION	01/09/2013	07/01/2011	2,455.22	2275.85 ~~2,597.81~~	179.37 ~~142.59-~~	Covered
70 SHARES OF BAKER HUGHES INC COMMON STOCK	01/14/2013	12/10/2009	2,946.00	2858.80 ~~2,729.45~~	87.20 ~~216.55~~	
47 SHARES OF NIKE INC CL B	01/17/2013	09/22/2011	2,520.99	1,957.46	563.53	Covered
200 SHARES OF SELECT SECTOR SPDR TR UTILITIES	02/20/2013	01/13/2012	7,391.01	6,953.12	437.89	Covered
43.015 SHARES OF COHEN & STEERS INSTITUTIONAL GLOBAL REALTY FUND CLASS I	02/25/2013	08/30/2011	970.00	836.21	133.79	
80.516 SHARES OF VANGUARD SMALL CAP GROWTH INDEX FUND #861	02/25/2013	04/26/2011	2,120.00	3080.91 ~~1,991.16~~	<960.91> ~~128.84~~	
91.121 SHARES OF DIMENSIONAL US SMALL CAP VALUE	02/25/2013	08/30/2011	2,545.00	1775.04 ~~2,120.39~~	769.96 ~~424.61~~	
496.274 SHARES OF	03/01/2013	06/28/2010	11,458.97	8694.73 ~~9,002.41~~	2764.24 ~~2,456.56-~~	

COHEN & STEERS INSTITUTIONAL GLOBAL REALTY FUND CLASS I					
47.777 SHARES OF	03/01/2013	08/30/2011	1,103.17	928.79	174.38
COHEN & STEERS INSTITUTIONAL GLOBAL REALTY FUND CLASS I					
200 SHARES OF	03/07/2013	12/14/1973	9,278.75	~~255.61~~ 7380.00	~~9,023.14~~ 1,898.75
GENERAL MILLS INC					
35 SHARES OF	03/07/2013	08/26/2009	4,041.41	~~2,585.45~~ 2730.00	~~1,455.96~~ 1311.41
COLGATE-PALMOLIVE COMPANY					
40 SHARES OF	03/25/2013	07/01/2011	2,664.01	~~2,170.34~~ 2199.34	~~493.67~~ 464.67 Covered
COVIDIEN PLC					
8 SHARES OF	03/25/2013	08/30/2011	532.80	~~415.28~~ 439.80	~~117.52~~ 93.00 Covered
COVIDIEN PLC					
130 SHARES OF	04/03/2013	12/18/2009	2,729.86	~~2,538.37~~ 2894.66	~~191.49~~ <164.80>
INTEL CORPORATION					
100 SHARES OF	04/03/2013	07/01/2011	2,099.90	2,258.97	159 07- Covered
INTEL CORPORATION					
330 SHARES OF	04/09/2013	11/29/2004	14,081.38	7,321.18	6,760.20
ABBVIE INC					
135 SHARES OF	05/06/2013	06/08/1994	4,560.20	~~447.44~~ 3146.85	~~4,112.76~~ 1413.35
MICROSOFT CORPORATION					
130 SHARES OF	05/08/2013	06/08/1994	4,282.83	~~430.87~~ 3030.30	~~3,851.96~~ 1252.53
MICROSOFT CORPORATION					
86 SHARES OF	05/10/2013	03/13/2012	11,845.82	14,063.23	2,217.41- Covered
MFC SPDR GOLD TRUST					
90 SHARES OF	06/05/2013	03/13/2012	10,397.89	9,168.78	1,229.11 Covered
GUGGENHEIM RUSSELL ETF					
385 SHARES OF	06/05/2013	04/12/2012	44,479.85	39,064.18	5,415.67 Covered
GUGGENHEIM RUSSELL ETF					
80 SHARES OF	06/10/2013	07/01/2011	7,279.31	~~6,549 51~~ 4583.20	~~729.80~~ 2696.11 Covered
EXXON MOBIL CORP COM					
80 SHARES OF	06/18/2013	11/01/2011	4,566.01	3,979.25	586.76 Covered
EMERSON ELECTRIC COMPANY					
20.787 SHARES OF	06/27/2013	04/26/2011	755.00	~~643.14~~ 995.13	~~111.86~~ <240.13>
VANGUARD SMALL CAP GROWTH INDEX ADMIRAL					
36.108 SHARES OF	06/27/2013	08/30/2011	1,115.00	~~840.24~~ 703.39	~~274.76~~ 411.61
DIMENSIONAL US SMALL CAP VALUE					
.5 SHARES OF	07/08/2013	08/30/2011	20.68	18.01	2.67 Covered
MALLINCKRODT PLC					
6.875 SHARES OF	07/19/2013	08/26/2009	298.45	188.20	110.25
MALLINCKRODT PLC					
4.125 SHARES OF	07/19/2013	08/30/2011	179.07	148.61	30.46 Covered
MALLINCKRODT PLC					
35.305 SHARES OF	07/24/2013	04/26/2011	1,355.00	~~1,092.33~~ 1690.16	~~262.67~~ <335.16>
VANGUARD SMALL CAP GROWTH INDEX ADMIRAL					
58.742 SHARES OF	07/24/2013	01/11/2008	1,949 06	~~1,279.99~~ 1144.29	~~669.07~~ 804.77
DIMENSIONAL US SMALL CAP VALUE					
16.303 SHARES OF	07/24/2013	08/30/2011	540 94	~~379.37~~ 317.58	~~161.57~~ 223.36
DIMENSIONAL US SMALL CAP VALUE					
35 SHARES OF	07/24/2013	05/22/2012	2,348.45	1,860.43	488.02 Covered
EXPRESS SCRIPTS HLDG CO					
5 SHARES OF	07/24/2013	04/08/2009	389.54	~~262.00~~ 244.82	~~127.54~~ 144.72
WAL-MART STORES INC					
45 SHARES OF	07/24/2013	01/13/2012	1,747.76	1,564 45	183.31 Covered
SELECT SECTOR SPDR TR UTILITIES					
15 SHARES OF	07/24/2013	03/24/1975	1,325.07	~~4.75~~ 685.80	~~1,320.32~~ 639.27
PHILIP MORRIS					
99 SHARES OF	08/02/2013	07/01/2011	5,579.59	~~4,123.35~~ 4194.09	~~1,456.24~~ 1385.50 Covered
JP MORGAN CHASE & CO					
50 SHARES OF	08/02/2013	04/08/2009	3,930.96	~~2,620.00~~ 2448.18	~~1,310.96~~ 1482.78
WAL-MART STORES INC					
2 SHARES OF	08/02/2013	04/15/2011	1,810.17	~~1,079.10~~ 1116.16	~~731.07~~ 694.01 Covered
GOOGLE INC A					
7 SHARES OF	08/02/2013	01/31/2012	6,335.59	~~4,033.99~~ 3906.58	~~2,301.60~~ 2429.01 Covered
GOOGLE INC A					
26 SHARES OF	08/02/2013	06/06/2005	1,728.72	~~696.37~~ 839.80	~~1,032.35~~ 888.92
WALT DISNEY COMPANY					
33 SHARES OF	08/02/2013	07/01/2011	1,683 33	1,531.11	152.22 Covered
CARDINAL HEALTH INC					

10 SHARES OF JOHNSON AND JOHNSON	08/02/2013	01/25/2012	941.39	652.48	288.91 Covered
68 SHARES OF JOHNSON AND JOHNSON	08/02/2013	02/03/2012	6,401.44	4,472.71	1,928.73 Covered
83 SHARES OF ORACLE CORPORATION	08/02/2013	06/17/2002	2,695.83	1805.25 ~~771.90~~	890.58 ~~1,923.93~~
37 SHARES OF WELLS FARGO & COMPANY	08/02/2013	08/26/2009	1,640.94	947.47 ~~1,020.83~~	693.47 ~~620.11~~
44 SHARES OF PHILIP MORRIS	08/02/2013	03/24/1975	3,933.58	2011.68 ~~13.92~~	1,921.90 ~~3,919.66~~
23 SHARES OF BOEING COMPANY	08/02/2013	01/20/2011	2,478.22	1449.92 ~~1,634.54~~	1028.30 ~~843.68~~ Covered
117 SHARES OF MONDELEZ INTL INC	08/02/2013	06/28/2012	3,727 61	2,849.67	877.94 Covered
31 SHARES OF MCDONALDS CORP COM	08/02/2013	04/13/2011	3,070.82	2060.26 ~~2,388.85~~	1010.56 ~~681.97~~ Covered
15 SHARES OF PRAXAIR INC	08/02/2013	12/09/2005	1,800.57	1160.55 ~~797.44~~	640.02 ~~1,003.13~~
30 SHARES OF TJX COMPANIES	08/02/2013	06/02/2009	1,617.29	630.45 ~~464.57~~	986.84 ~~1,152.72~~
51 SHARES OF MICROSOFT CORPORATION	08/02/2013	06/08/1994	1,616.70	1188.81 ~~169.03~~	427.89 ~~1,447.67~~
20 SHARES OF EXXON MOBIL CORP COM	08/02/2013	07/01/2011	1,832.78	1170.80 ~~1,637.38~~	661.98 ~~195.40~~ Covered
5 SHARES OF EXXON MOBIL CORP COM	08/02/2013	08/30/2011	458.20	261.45 ~~366.20~~	196.75 ~~92.00~~ Covered
155 SHARES OF ABBOTT LABORATORIES	08/02/2013	11/29/2004	5,697.78	4493.10 ~~3,171.05~~	1204.68 ~~2,526.73~~
10 SHARES OF AT&T INC	08/02/2013	07/17/2007	356.60	238.76 ~~399.90~~	117.84 ~~43.30~~
64 SHARES OF AT&T INC	08/02/2013	09/27/2011	2,282.24	1528.09 ~~1,855.00~~	754.15 427.24 Covered
41 SHARES OF SELECT SECTOR SPDR TR UTILITIES	08/02/2013	01/13/2012	1,617.03	1,425.39	191.64 Covered
90 SHARES OF CISCO SYSTEMS	08/02/2013	06/25/2010	2,346.31	2,018.61	327.70
117 SHARES OF CISCO SYSTEMS	08/02/2013	01/05/2011	3,050.20	2,441.21	608.99 Covered
99 SHARES OF MICROSOFT CORPORATION	09/25/2013	06/08/1994	3,220.76	2307.69 ~~328.12~~	913.07 ~~2,892.64~~
20 SHARES OF TEVA PHARMACEUTICAL INDUSTRIES	10/11/2013	01/13/2004	810.04	1039.60 ~~589.77~~	<229.56> ~~220.27~~
50 SHARES OF TEVA PHARMACEUTICAL INDUSTRIES	10/11/2013	10/17/2007	2,025.10	2599.00 ~~2,272.67~~	<573.90> ~~247.57~~
10 SHARES OF TEVA PHARMACEUTICAL INDUSTRIES	10/11/2013	08/28/2008	405.02	519.80 ~~476.20~~	<114.78> ~~71.18~~
91 SHARES OF WELLS FARGO & COMPANY	10/25/2013	08/26/2009	3,886.76	2330.27 ~~2,510.70~~	1556.49 ~~1,376.06~~
38 SHARES OF BERKSHIRE HATHAWAY *B*	10/25/2013	01/30/2012	4,430.93	2,984.11	1,446.82 Covered
83 SHARES OF MONDELEZ INTL INC	11/22/2013	06/28/2012	2,801.58	2,021.56	780.02 Covered
5 SHARES OF EMC CORPORATION	12/24/2013	08/22/2011	125.23	92.95 ~~103.59~~	32.28 ~~21.64~~ Covered
120 SHARES OF EMC CORPORATION	12/24/2013	11/14/2012	3,005.43	2230.80 ~~2,815.20~~	774.63 ~~190.23~~ Covered
45 SHARES OF TARGET CORP	12/24/2013	07/27/2005	2,762.10	2183.72 ~~2,661.69~~	578.38 ~~100.41~~
35 SHARES OF TARGET CORP	12/24/2013	07/01/2011	2,148.31	1698.44 ~~1,677.16~~	449.87 ~~471.15~~ Covered
TOTAL GAIN FROM PARTNERSHIPS, S CORPORATIONS, OR OTHER FIDUCIARIES			8,603.00	0.00	8,603.00 Covered
** TOTAL LONG TERM CAPITAL GAIN (LOSS)			274,452.49	209,895.03 ~~191,585.14~~	64,557.46 ~~82,867.35~~

** LONG TERM CAPITAL GAINS DIVIDENDS

1021.165 BASIS SHARES OF Dimensional US Small Cap Value 1,624.68

Leo C. Parent Scholarship Trust II
12/31/13
#26-6312571

Description	12/31/13 Units	Per Unit	BV	12/31/13 FMV
Cash			141 12	141 12
Federated	14,269 140	1 000	14,269 14	14,269 14
Northern	53,421 580	1 000	6,136 91	6,136 91
TOTAL			20,547 17	20,547 17
Deposits in Transit			923 04	923 04
Total Cash & Temporary Investments			**21,470.21**	21,470 21
Taxable Bonds				
Fidelity Spartan	(0 000)		0 00	
CTF B	37,192 41	8 902	331,068 29	326,218 33
Total Taxable Bonds			331,068 29	326,218 33
Equirties (orginial)				
AT&T INC (300)	181 000	26 948	4,877 64	6,363 96
ABBOTT LABRATORIES (400) (Abbvie)	175 000	20 458	3,580 22	6,707 75
AMERICAN EXPRESS COMPANY (35)	115 000	51 469	5,918 88	10,433 95
APACHE CORPORATION (180)	115 000	84 510	9,718 65	9,883 10
APPLE COMPUTER (15)	60 000	394 984	23,699 03	33,661 20
BAKER HUGHES INC CS (70)	-		-	
Berkshire Hathaway "B"	112 000	78 529	8,795 27	13,278 72
BECTON DICKINSON & COMPANY (50)	66 000	75 719	4,997 46	7,292 34
Blackrock	31 000	207 458	6,431 21	9,810 57
BOEING COMPANY (190)	112 000	64 832	7,261 15	15,286 88
BROADCOM CORP	234 000	29 356	6,869 31	6,936 93
CARDINAL HEALTH INC	127 000	44 688	5,675 35	8,484 87
Citigroup	165 000	50 178	8,279 42	8,598 15
CME GROUP (10)	90 000	64 039	5,763 48	7,061 40
Coach Inc	-		-	
CVS CORP (60)	107 000	43 937	4,701 29	7,657 99
CHEVRONTEXACO CORP COM (35)	110 000	102 458	11,270 33	13,740 10
CISCO SYSTEMS (6/25/10, 6/30/10) (90)	303 000	18 464	5,594 72	6,796 29
Coca Cola Company	227 000	38 990	8,850 84	9,377 37
COGNIZANT TECH SOLUTIONS CORP (50)	176 000	69 688	12,265 10	17,772 48
COHEN & STEERS INSTITUTIONAL (1505 414)	(0 000)		(0 00)	
COLGATE-PALMOLIVE COMPANY (35)	-		-	
Comcast Corp	288 000	34 530	9,944 75	14,965 92
Danaher Corporation	110 000	55 977	6,157 45	8,492 00
DEMENSIONAL US SMALL CAP VALUE (1437 830)	1,021 165	23 208	23,699 14	36,159 45
WALT DISNEY COMPANY (210)	184 000	32 300	5,943 20	14,057 60
DUPONT E DE NEMOURS (75)	133 000	44 746	5,951 25	8,641 01
EMC CORPORATION (285)	376 000	22 139	8,324 25	9,456 40
** EATON CORP	155 000	53 133	8,235 66	11,798 60
EMERSON ELECTRIC COMPANY	-		-	
Express Scripts	302 000	60 402	18,241 49	21,212 48
EXXON MOBIL CORP COM (110)	135 000	79 041	10,670 54	13,662 00
F5 Networks	77 000	91 599	7,053 16	6,996 22
GENERAL ELECTRIC COMPANY (720)	575 000	14 480	8,326 00	16,117 25
GENERAL MILLS INC (400)	-		-	
GOOGLE INC (5)	13 000	505 958	6,577 46	14,569 23
HALLIBURTON COMPANY	240 000	34 014	8,163 33	12,180 00
Honeywell Int'l	80 000	57 979	4,638 35	7,309 60
INTEL CORPORATION (130)	-		-	
Ishares	71 000	161 512	11,467 33	16,121 26
JP MORGAN CHASE & CO (80)	286 000	37 642	10,765 62	16,725 28
Johnson & Johnson	110 000	70 492	7,754 13	10,074 90
Mondelez Int'l exchange Kraft	245 000	28 640	7,016 78	8,648 50
MCDONALDS CORPORATION (105)	144 000	74 925	10,789 22	13,972 32
MICROSOFT CORPORATION (970)	-		-	
MONSANTO COMPANY (85)	66 000	90 141	5,949 32	7,692 30
NATIONAL OILWELL VARCO (135)	101 000	42 645	4,307 12	8,032 53
NIKE INC	118 000	46 875	5,531 25	9,279 52
Nordstrom	104 000	61 697	6,416 49	6,427 20
NORFOLK SOUTHN CORP (120)	101 000	65 544	6,619 99	9,375 83
ORACLE CORPORATION (280)	282 000	26 456	7,460 57	10,789 32
PEPSICO INC (45)	122 000	70 299	8,576 45	10,118 68
Pfizer	395 000	29 276	11,564 04	12,098 85
PHILIP MORRIS (590)	121 000	45 720	5,532 12	10,542 73
PIMCO COMMODITY REAL RETURN (2725 482)	3,696 937	6 761	24,994 19	20,296 18
PRAXAIR INC (75)	60 000	77 370	4,642 20	7,801 80
Priceline Com	-		-	
PROCTER & GAMBLE CO (45)	122 000	66 623	8,127 98	9,932 02
** PRUDENTIAL FINANCIAL INC (55)	125 000	54 561	6,820 18	11,527 50
Qualcom	99 000	64 229	6,358 65	7,350 75
Guggenhelm	-		0 00	
SPDR Tr Unit Ser 1	340 000	161 689	54,974 36	62,794 60
MFC SPDR Gold Trust	-		-	
Schlumberger Limited	77 000	76 374	5,880 76	6,938 47
Select Sector SPDR Utilities	319 000	34 766	11,090 23	12,112 43
Starwood Hotels & Resorts	143 000	64 483	9,221 11	11,361 35
STATE STREET CORPORATION (235)	150 000	33 950	5,092 50	11,008 50
Suncor Energy Inc	230 000	31 265	7,190 93	8,061 50
TJX COMPANIES (90)	150 000	21 015	3,152 25	9,559 50
TARGET CORP (45)	102 000	63 634	6,490 69	6,453 54
TEVA PHARMACEUTICALS INDUSTRIES (80)	-		-	
US Bancorp Del Com New	272 000	36 724	9,988 81	10,988 80