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Return of Private Foundation

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

OMB No 1545-0052

2013

Open to Public Inspection

Department of the Treasury
Internal Revenue ServiceDo 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.

For calendar year 2013 or tax year beginning

, and ending

Name of foundation RAHR FOUNDATION		A Employer identification number 39-6046046
Number and street (or P.O. box number if mail is not delivered to street address) 800 W 1ST AVENUE	Room/suite	B Telephone number 952-496-7003
City or town, state or province, country, and ZIP or foreign postal code SHAKOPEE, MN 55379		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 4,374,464. (Part I, column (d) must be on cash basis)	J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received	30,000.		N/A	
2	Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	125,216.	125,216.		
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	107,496.			
b	Gross sales price for all assets on line 6a	780,898.			
7	Capital gain net income (from Part IV, line 2)		107,496.		
8	Net short-term capital gain				
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss)				
11	Other income	3,724.	3,724.		STATEMENT 1
12	Total. Add lines 1 through 11	266,436.	236,436.		
13	Compensation of officers, directors, trustees, etc	9,600.	1,920.		7,680.
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees STMT 2	4,386.	877.		3,509.
b	Accounting fees STMT 3	15,200.	12,200.		3,000.
c	Other professional fees STMT 4	43,316.	34,016.		0.
17	Interest				
18	Taxes STMT 5	4,446.	147.		587.
19	Depreciation and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses STMT 6	5,700.	1,700.		4,000.
24	Total operating and administrative expenses. Add lines 13 through 23	82,648.	50,860.		18,776.
25	Contributions, gifts, grants paid	182,000.			182,000.
26	Total expenses and disbursements. Add lines 24 and 25	264,648.	50,860.		200,776.
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	1,788.			
b	Net investment income (if negative, enter -0-)		185,576.		
c	Adjusted net income (if negative, enter -0-)			N/A	

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Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only

Beginning of year

End of year

(a) Book Value

(b) Book Value

(c) Fair Market Value

		Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	46,890.	53,413.	53,413.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock			
	c Investments - corporate bonds STMT 8	0.	0.	0.
	11 Investments - land, buildings, and equipment basis ▶			
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other STMT 9	4,153,705.	4,321,051.	4,321,051.	
14 Land, buildings, and equipment: basis ▶				
Less accumulated depreciation ▶				
15 Other assets (describe ▶)	480.	0.	0.	
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item 1)	4,201,075.	4,374,464.	4,374,464.	
Liabilities	17 Accounts payable and accrued expenses	2,070.	10,145.	
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶ EXCISE TAX PAYABLE)	0.	2,672.	
	23 Total liabilities (add lines 17 through 22)	2,070.	12,817.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted	4,199,005.	4,361,647.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances	4,199,005.	4,361,647.	
	31 Total liabilities and net assets/fund balances	4,201,075.	4,374,464.	

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	4,199,005.
2 Enter amount from Part I, line 27a	2	1,788.
3 Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 7	3	160,854.
4 Add lines 1, 2, and 3	4	4,361,647.
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	4,361,647.

Part IV Capital Gains and Losses for Tax on Investment Income

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

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e 780,898.		673,402.	107,496.

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			107,496.

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	107,496.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		3	N/A

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

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

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

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

☐ Yes ☒ No

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

1 Enter the appropriate amount in each column for each year; see 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	207,422.	4,115,644.	.050398
2011	219,107.	4,242,219.	.051649
2010	177,653.	3,981,917.	.044615
2009	157,149.	3,417,618.	.045982
2008	205,745.	4,199,269.	.048995

2 Total of line 1, column (d)	2	.241639
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	.048328
4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	4,285,257.
5 Multiply line 4 by line 3	5	207,098.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,856.
7 Add lines 5 and 6	7	208,954.
8 Enter qualifying distributions from Part XII, line 4	8	200,776.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	3,712.
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	3,712.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	3,712.
6 Credits/Payments:			
a 2013 estimated tax payments and 2012 overpayment credited to 2013	6a	1,040.	
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	1,040.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	2,672.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be: Credited to 2014 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> WI, MN		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation 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 ► <u>N/A</u>	13	X	
14	The books are in care of ► <u>MS. HEIDI RAHR FARIS, PRESIDENT</u> Telephone no. ► <u>952-496-7003</u> Located at ► <u>800 W 1ST AVENUE, SHAKOPEE, MN</u> ZIP+4 ► <u>55379</u>			
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 <u>N/A</u>			
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? 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>	1b	X
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ► _____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) <u>N/A</u>	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► _____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 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.) <u>N/A</u>	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2013?	4b	X

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

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

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

☐ Yes ☒ No

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

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☒

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

☐ Yes ☐ No

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

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

☐ Yes ☒ No

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

6b

X

If "Yes" to 6b, file Form 8870

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

☐ Yes ☒ No

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

N/A

7b

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 10		9,600.	0.	0.

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

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

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

0

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	4,306,734.
b	Average of monthly cash balances	1b	43,781.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	4,350,515.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	4,350,515.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	65,258.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	4,285,257.
6	Minimum investment return. Enter 5% of line 5	6	214,263.

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	214,263.
2a	Tax on investment income for 2013 from Part VI, line 5	2a	3,712.
b	Income tax for 2013. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	3,712.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	210,551.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	210,551.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	210,551.

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	200,776.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	200,776.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	200,776.

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				210,551.
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only			6,907.	
b Total for prior years:		0.		
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: ▶ \$ 200,776.				
a Applied to 2012, but not more than line 2a			6,907.	
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 2013 distributable amount				193,869.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:	0.			
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		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2012. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2013. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2014				16,682.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2008 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a	0.			
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				

N/A

- b Check box to indicate whether the foundation is a private operating foundation described in section

☐ 4942(1)(3) or ☐ 4942(1)(5)

- [illegible]

11

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				
SCHEDULE ATTACHED VARIOUS VARIOUS, MN 55379			VARIOUS	182,000.
Total			3a	182,000.
b Approved for future payment				
NONE				
Total			3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f _____					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	125,216.	
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			14	3,724.	
8 Gain or (loss) from sales of assets other than inventory			18	107,496.	
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.		236,436.	0.
13 Total. Add line 12, columns (b), (d), and (e)				236,436.	236,436.

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

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

[illegible]

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

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

[illegible]

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

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

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

**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.

Signature of officer or trustee

Date _____

5/12/14

PRESIDENT

Title

May the IRS discuss this return with the preparer

☒ Yes ☐ No

**Paid
Preparer
Use Only**

Print/Type preparer's name

RANDALL L. MILLER

Preparer's signature

Roder 2. Mill Pt

Date

5-8-14

Check ☐ self-employed

PTIN

P00038964

Firm's name ► **HAWKINS ASH CPAS, LLP**

Firm's EIN ► 39-0912608

Firm's address ► ONE EAST WALDO BOULEVARD, SUITE 5
MANITOWOC, WI 54220-2912

Phone no. 920.684.7128

Form **990-PF** (2013)

Schedule B(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and
its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Name of the organization

RAHR FOUNDATION

Employer identification number

39-6046046

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2013)

Name of organization	Employer identification number
RAHR FOUNDATION	39-6046046

Part I Contributors (see instructions) Use duplicate copies of Part I if additional space is needed

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
<u>1</u>	<u>RAHR MALTING CO.</u> <u>800 W 1ST AVENUE</u> <u>SHAKOPEE, MN 55379</u>	\$ <u>30,000.</u>	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions)

Name of organization

Employer identification number

RAHR FOUNDATION**39-6046046****Part II Noncash Property** (see instructions) Use duplicate copies of Part II if additional space is needed

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

Name of organization

Employer identification number

RAHR FOUNDATION**39-6046046****Part III**

Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once) ▶ \$

Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

RAHR FOUNDATION

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 WELLS FARGO ASSET ALLOCATION A		P	12/15/10	01/22/13
b WELLS FARGO ASSET ALLOCATION A		P	12/15/10	12/18/13
c BLACKROCK GLOBAL ALLOCATION		P	12/15/10	12/18/13
d EATON VANCE STRATEGIC INC		P	12/15/10	04/25/13
e EATON VANCE STRATEGIC INC		P	12/15/10	06/06/13
f EATON VANCE STRATEGIC INC		P	12/15/10	08/15/13
g EATON VANCE STRATEGIC INC		P	12/15/10	10/29/13
h EATON VANCE STRATEGIC INC		P	12/15/10	12/18/13
i EATON VANCE STRATEGIC INC		P	01/03/11	12/18/13
j EATON VANCE STRATEGIC INC		P	01/31/11	12/18/13
k EATON VANCE STRATEGIC INC		P	03/01/11	12/18/13
l EATON VANCE STRATEGIC INC		P	04/01/11	12/18/13
m EATON VANCE STRATEGIC INC		P	05/01/11	12/18/13
n EATON VANCE STRATEGIC INC		P	06/01/11	12/18/13
o EATON VANCE STRATEGIC INC		P	07/01/11	12/18/13

(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 5,689.		5,263.	426.
b 131,900.		114,010.	17,890.
c 131,900.		115,955.	15,945.
d 8,015.		7,966.	49.
e 95,726.		95,843.	-117.
f 27,324.		28,186.	-862.
g 8,295.		8,578.	-283.
h 134,790.		140,823.	-6,033.
i 685.		717.	-32.
j 1,329.		1,392.	-63.
k 1,205.		1,263.	-58.
l 1,341.		1,405.	-64.
m 1,294.		1,366.	-72.
n 1,225.		1,291.	-66.
o 1,201.		1,255.	-54.

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			426.
b			17,890.
c			15,945.
d			49.
e			-117.
f			-862.
g			-283.
h			-6,033.
i			-32.
j			-63.
k			-58.
l			-64.
m			-72.
n			-66.
o			-54.

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7
If (loss), enter "-0-" in Part I, line 7 }

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

2

3

RAHR FOUNDATION

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	EATON VANCE STRATEGIC INC	P	08/01/11	12/18/13
b	EATON VANCE STRATEGIC INC	P	09/01/11	12/18/13
c	EATON VANCE STRATEGIC INC	P	10/01/11	12/18/13
d	EATON VANCE STRATEGIC INC	P	11/01/11	12/18/13
e	EATON VANCE STRATEGIC INC	P	12/01/11	12/18/13
f	EATON VANCE STRATEGIC INC	P	01/01/12	12/18/13
g	EATON VANCE STRATEGIC INC	P	02/01/12	12/18/13
h	EATON VANCE STRATEGIC INC	P	03/01/12	12/18/13
i	EATON VANCE STRATEGIC INC	P	04/01/12	12/18/13
j	EATON VANCE STRATEGIC INC	P	05/01/12	12/18/13
k	EATON VANCE STRATEGIC INC	P	06/01/12	12/18/13
l	EATON VANCE STRATEGIC INC	P	07/01/12	12/18/13
m	EATON VANCE STRATEGIC INC	P	08/01/12	12/18/13
n	EATON VANCE STRATEGIC INC	P	09/01/12	12/18/13
o	EATON VANCE STRATEGIC INC	P	10/01/12	12/18/13

(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	1,240.	1,301.	-61.
b	1,263.	1,307.	-44.
c	1,267.	1,270.	-3.
d	1,285.	1,318.	-33.
e	1,263.	1,281.	-18.
f	1,282.	1,294.	-12.
g	1,247.	1,289.	-42.
h	1,167.	1,211.	-44.
i	1,261.	1,299.	-38.
j	1,223.	1,262.	-39.
k	1,297.	1,310.	-13.
l	1,249.	1,273.	-24.
m	1,286.	1,321.	-35.
n	1,285.	1,326.	-41.
o	1,233.	1,289.	-56.

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			-61.
b			-44.
c			-3.
d			-33.
e			-18.
f			-12.
g			-42.
h			-44.
i			-38.
j			-39.
k			-13.
l			-24.
m			-35.
n			-41.
o			-56.

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7
If (loss), enter "-0-" in Part I, line 7 }

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

2

3

RAHR FOUNDATION

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	EATON VANCE STRATEGIC INC	P	11/01/12	12/18/13
b	EATON VANCE STRATEGIC INC	P	12/01/12	12/18/13
c	EATON VANCE STRATEGIC INC		01/01/13	12/18/13
d	EATON VANCE STRATEGIC INC	P	02/01/13	12/18/13
e	EATON VANCE STRATEGIC INC	P	03/01/13	12/18/13
f	EATON VANCE STRATEGIC INC	P	03/27/13	12/18/13
g	EATON VANCE STRATEGIC INC	P	04/29/13	12/18/13
h	EATON VANCE STRATEGIC INC	P	05/30/13	12/18/13
i	EATON VANCE STRATEGIC INC	P	06/27/13	12/18/13
j	EATON VANCE STRATEGIC INC	P	07/30/13	12/18/13
k	EATON VANCE STRATEGIC INC	P	08/29/13	12/18/13
l	EATON VANCE STRATEGIC INC	P	09/27/13	12/18/13
m	EATON VANCE STRATEGIC INC	P	10/30/13	12/18/13
n	EATON VANCE STRATEGIC INC	P	11/27/13	12/18/13
o	INVESCO BALANCE RISK ALLOCATION		10/31/11	06/06/13

(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	1,285.	1,337.	-52.
b	1,250.	1,300.	-50.
c	1,242.	1,298.	-56.
d	1,240.	1,301.	-61.
e	1,127.	1,181.	-54.
f	1,248.	1,312.	-64.
g	1,179.	1,243.	-64.
h	1,233.	1,289.	-56.
i	858.	868.	-10.
j	887.	901.	-14.
k	790.	788.	2.
l	765.	765.	0.
m	754.	759.	-5.
n	739.	737.	2.
o	120,594.	113,659.	6,935.

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			-52.
b			-50.
c			-56.
d			-61.
e			-54.
f			-64.
g			-64.
h			-56.
i			-10.
j			-14.
k			2.
l			0.
m			-5.
n			2.
o			6,935.

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7
If (loss), enter "-0-" in Part I, line 7 }

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

2

3

RAHR FOUNDATION

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 BLACKROCK GLOBAL ALLOCATION		VARIOUS	12/17/13
b EATON VANCE STRATEGIC INC		VARIOUS	10/30/13
c FIRST EAGLE GLOBAL		VARIOUS	12/17/13
d INVESCO BALANCE RISK ALLOCATION		VARIOUS	12/13/13
e NATIXIS OAKMARK INTL		VARIOUS	12/23/13
f			
g			
h			
i			
j			
k			
l			
m			
n			
o			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 26,358.			26,358.
b 533.			533.
c 32,517.			32,517.
d 12,345.			12,345.
e 3,187.			3,187.
f			
g			
h			
i			
j			
k			
l			
m			
n			
o			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			26,358.
b			533.
c			32,517.
d			12,345.
e			3,187.
f			
g			
h			
i			
j			
k			
l			
m			
n			
o			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2	107,496.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8 }	3	N/A

FORM 990-PF	OTHER INCOME	STATEMENT	1
DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
OTHER INCOME FROM CLASS ACTION LAWSUITS	3,724.	3,724.	
TOTAL TO FORM 990-PF, PART I, LINE 11	3,724.	3,724.	

FORM 990-PF	LEGAL FEES			STATEMENT	2
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
LEGAL	4,386.	877.		3,509.	
TO FM 990-PF, PG 1, LN 16A	4,386.	877.		3,509.	

FORM 990-PF	ACCOUNTING FEES			STATEMENT	3
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
AUDIT & ACCOUNTING	15,200.	12,200.		3,000.	
TO FORM 990-PF, PG 1, LN 16B	15,200.	12,200.		3,000.	

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT	4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
INVESTMENT TRUSTEE	34,016.	34,016.			0.
CONSULTING FEES	9,300.	0.			0.
TO FORM 990-PF, PG 1, LN 16C	43,316.	34,016.			0.

FORM 990-PF	TAXES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
PAYROLL TAX	734.	147.		587.	
FEDERAL EXCISE TAX	3,712.	0.		0.	
TO FORM 990-PF, PG 1, LN 18	4,446.	147.		587.	

FORM 990-PF	OTHER EXPENSES			STATEMENT	6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
OTHER EXPENSES	5,700.	1,700.		4,000.	
TO FORM 990-PF, PG 1, LN 23	5,700.	1,700.		4,000.	

FORM 990-PF	OTHER INCREASES IN NET ASSETS OR FUND BALANCES			STATEMENT	7
DESCRIPTION	AMOUNT				
NET UNREALIZED DEPRECIATION IN FMV OF SECURITIES	160,854.				
TOTAL TO FORM 990-PF, PART III, LINE 3	160,854.				

FORM 990-PF	CORPORATE BONDS		STATEMENT	8
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE		
SCHEDULE ATTACHED	0.	0.		
TOTAL TO FORM 990-PF, PART II, LINE 10C	0.	0.		

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	9
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
SCHEDULE ATTACHED	FMV	4,321,051.	4,321,051.
TOTAL TO FORM 990-PF, PART II, LINE 13		4,321,051.	4,321,051.

FORM 990-PF	PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS	STATEMENT	10
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NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
FREDERICK W. RAHR 800 W 1ST AVENUE SHAKOPEE, MN 55379	DIRECTOR 1.00	0.	0.	0.
WILLIAM T RAHR 800 W 1ST AVENUE SHAKOPEE, MN 55379	TREASURER 1.00	0.	0.	0.
MARILYN T TECH 800 W 1ST AVENUE SHAKOPEE, MN 55379	ADMINISTRATOR AND SECRETARY 8.00	9,600.	0.	0.
HEIDI R FARIS 800 W 1ST AVENUE SHAKOPEE, MN 55379	PRESIDENT 5.00	0.	0.	0.
LIBBY JENNINGS 800 W 1ST AVENUE SHAKOPEE, MN 55379	VICE PRESIDENT 1.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		9,600.	0.	0.

RAHR FOUNDATION
MUTUAL FUNDS VALUE
EIN 39-6046046

DESCRIPTION	P. QTY	PRICE	VALUE
Blackrock Global Allocation A	39,000	21	835,776
First Eagle Global A	23,591	54	1,269,664
Invesco Balanced Risk Allocation	33,385	12	396,947
Lazard Emerging Markets Equity Blend	19,413	11	217,041
Natixis Oakmark Intl	20,110	14	276,318
PIMCO All Asset All Authority A	49,920	10	494,211
Wells Fargo Asset Alloc A	58,818	14	831,094
			<u>4,321,051</u>

RAHR FOUNDATION
BONDS VALUE
EIN 39-6046046

DESCRIPTION	PURCHASED QTY	PRICE	VALUE
Lehman Brothers Holdings Note	5,000.00	0	<u>0</u> <u>0</u>

Rahr Foundation
EIN 39-6046046
Statement of Program Grants

	Amount	Purpose
American Red Cross - Greater Twin Cities	\$ 3,000.00	Operating Fund
Augsburg College	\$ 3,000.00	Fellowship
Barbara Schneider Foundation	\$ 3,000.00	Operating Fund
Boys and Girls Clubs of Twin Cities	\$ 3,000.00	Operating Fund
Bridge for Youth	\$ 3,000.00	Operating Fund
College of St. Benedict	\$ 3,000.00	Fellowship
Conservancy of Southwest Florida	\$ 2,000.00	Operating Fund
Cornell University	\$ 3,000.00	Fellowship
Dunwoody College of Technology	\$ 5,000.00	Operating Fund
EarthJustice	\$ 5,000.00	Operating Fund
Friends of the Mississippi River	\$ 3,000.00	Operating Fund
Friends of the Columbia Gorge	\$ 2,500.00	Operating Fund
Girl Scouts MN & WI River Valleys	\$ 2,000.00	Operating Fund
Greater Twin Cities Youth Symphonies	\$ 5,000.00	Operating Fund
Hill Museum & Manuscript Library	\$ 5,000.00	Operating Fund
Minnesota Land Trust	\$ 10,000.00	Operating Fund
MN 4-H Foundation	\$ 3,000.00	Annual Fund
MN Landscape Arboretum Foundation	\$ 5,000.00	Operating Fund
Montana Environmental Information Ctr	\$ 2,000.00	Operating Fund
Montana Land Reliance	\$ 4,000.00	Operating Fund
Montana Trout Unlimited	\$ 3,000.00	Operating Fund
MPLS Institute of Arts	\$ 10,000.00	Operating Fund
North Dakota State University	\$ 3,000.00	Fellowship
Outward Bound	\$ 5,000.00	Operating Fund
Planned Parenthood	\$ 5,000.00	Program Support
Roger Williams University	\$ 3,000.00	Fellowship
Ryerson University	\$ 3,000.00	Fellowship
Sojourner	\$ 3,000.00	Operating Fund
Southwest Minnesota State University	\$ 3,000.00	Fellowship
Sustainable Northwest	\$ 5,000.00	Operating Fund
Texas Tech University	\$ 3,000.00	Fellowship
The Bell Museum of Natural History	\$ 3,000.00	Operating Fund
The Children's Theatre Company	\$ 5,000.00	Annual Fund
The Minnesota Opera	\$ 8,000.00	Operating Fund

Rahr Foundation
EIN 39-6046046
Statement of Program Grants

The Trust for Public Land	\$ 1,500.00	Operating Fund
The Wild Salmon Ctr	\$ 10,000.00	Annual Fund
Tree House	\$ 5,000.00	Operating Fund
Tree Trust	\$ 3,000.00	Annual Fund
University of MN-Duluth	\$ 3,000.00	Fellowship
University of Alberta	\$ 3,000.00	Fellowship
Wildlife Rehabilitation Ctr	\$ 10,000.00	Operating Fund
Will Steger Foundation	\$ 10,000.00	Operating Fund
Total Grant Payments	\$ 182,000.00	
Unconditional Promises to Give at Beginning of Year	\$ -	
Unconditional Promises to Give at End of Year	\$ -	
Program Grant Expenditures	<u>\$ 182,000.00</u>	

RAHR FOUNDATION

**FINANCIAL STATEMENTS
WITH INDEPENDENT ACCOUNTANTS'
REVIEW REPORT**

DECEMBER 31, 2013 AND 2012

RAHR FOUNDATION

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December 31, 2013 and 2012

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
Rahr Foundation
Shakopee, Minnesota

We have reviewed the accompanying statements of financial position of Rahr Foundation (a nonprofit organization) as of December 31, 2013 and 2012 and the related statements of activities and changes in net assets and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Our reviews were made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The supplemental information as documented in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we did not become aware of any material modifications that should be made to such information.

HAWKINS ASH CPAS, LLP

Hawkins Ash CPAs, LLP
Manitowoc, Wisconsin
March 29, 2014

RAHR FOUNDATION
STATEMENTS OF FINANCIAL POSITION
(See Independent Accountants' Review Report)

<u>ASSETS</u>	DECEMBER 31,	
	2013	2012
CASH	\$ 36,148	\$ 44,372
ACCRUED INVESTMENT INCOME	-	204
REFUNDABLE EXCISE TAX	-	276
INVESTMENTS		
Cash / money market funds	17,265	2,518
Corporate bonds	-	-
Mutual funds	4,321,051	4,153,705
TOTAL INVESTMENTS	4,338,316	4,156,223
TOTAL ASSETS	4,374,464	4,201,075
 <u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES		
Accounts payable	10,145	2,070
Excise tax payable	2,672	-
TOTAL LIABILITIES	12,817	2,070
UNRESTRICTED NET ASSETS	4,361,647	4,199,005
TOTAL LIABILITIES AND NET ASSETS	\$ 4,374,464	\$ 4,201,075

The accompanying notes are an integral part of these statements.

RAHR FOUNDATION
STATEMENTS OF ACTIVITIES AND
CHANGES IN NET ASSETS
(See Independent Accountants' Review Report)

	YEAR ENDED DECEMBER 31,	
	2013	2012
CHANGES IN UNRESTRICTED NET ASSETS		
REVENUE AND GAINS		
Investment income:		
Interest	\$ 5	\$ 6
Dividends	125,211	114,041
Net realized gains (losses) on investments sold	107,496	27,511
Net unrealized appreciation (depreciation) in fair market value of investments	160,854	279,263
Miscellaneous refunds	3,724	19,645
Contributions	30,000	27,000
TOTAL INVESTMENT INCOME	<u>427,290</u>	<u>467,466</u>
EXPENDITURES		
Program grants	182,000	173,500
Administrative expenses	78,936	93,343
TOTAL EXPENDITURES	<u>260,936</u>	<u>266,843</u>
CHANGE IN UNRESTRICTED NET ASSETS BEFORE FEDERAL EXCISE TAX	166,354	200,623
Provision for federal excise tax	3,712	1,028
CHANGE IN UNRESTRICTED NET ASSETS	162,642	199,595
Unrestricted net assets at beginning of year	<u>4,199,005</u>	<u>3,999,410</u>
Unrestricted net assets at end of year	<u>\$ 4,361,647</u>	<u>\$ 4,199,005</u>

The accompanying notes are an integral part of these statements.

RAHR FOUNDATION
STATEMENTS OF CASH FLOWS
(See Independent Accountants' Review Report)

	YEAR ENDED DECEMBER 31,	
	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in unrestricted net assets	\$ 162,642	\$ 199,595
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Net realized (gains) losses on investments sold	(107,496)	(27,511)
Net unrealized (appreciation) depreciation in fair market value of investments	(160,854)	(279,263)
Decrease (increase) in assets		
Accrued interest and dividends	204	-
Refundable excise tax	276	1,028
Decrease (increase) in liabilities		
Accounts payable	8,075	588
Accrued excise tax	2,672	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>(94,481)</u>	<u>(105,563)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale and maturity of investments	705,958	614,374
Purchase of investments	<u>(619,701)</u>	<u>(482,368)</u>
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>86,257</u>	<u>132,006</u>
NET INCREASE (DECREASE) IN CASH	(8,224)	26,443
CASH AT BEGINNING OF YEAR	<u>44,372</u>	<u>17,929</u>
CASH AT END OF YEAR	<u>\$ 36,148</u>	<u>\$ 44,372</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for:		
Federal excise tax	\$ 1,040	\$ 1,304
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
NONE		

The accompanying notes are an integral part of these statements.

RAHR FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012
(See Independent Accountants' Review Report)

The Rahr Foundation is a nonstock corporation, charitable foundation (a private foundation) organized to provide contributions to public charitable and educational organizations.

NOTE 1 - Accounting Policies

A summary of significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

Basis of Accounting - The financial statements of the Foundation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation - The accompanying financial statements are presented in accordance with the accounting principles generally accepted in the United States of America (U.S. GAAP) as codified by the Financial Accounting Standards Board.

Under U.S. GAAP, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets:

1. Unrestricted net assets - net assets that are neither temporarily nor permanently restricted by donor-imposed stipulations.
2. Temporarily restricted net assets - net assets that result from contributions whose use by the Foundation is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Foundation pursuant to those stipulations.
3. Permanently restricted net assets - net assets resulting from contributions whose use by the Foundation is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled and removed by actions of the Foundation.

Cash and Cash Equivalents - The Foundation considers all highly liquid debt instruments purchased with an initial maturity of three months or less to be cash equivalents. Cash and money market funds contained in the Foundation's Morgan Stanley account #319-064810-018 are excluded from cash and cash equivalents for purposes of the statement of cash flows.

Investment Valuation and Income Recognition - The Foundation's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for further discussion of fair value measurements.

Realized and unrealized gains or losses are determined by comparison of cost to proceeds or quoted market, respectively. Cost is determined using a "first in / first out" methodology.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

RAHR FOUNDATION
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2013 AND 2012
(See Independent Accountants' Review Report)

NOTE 1 - Accounting Policies - Continued

Income Taxes - The Foundation is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. However, the Foundation is subject to the private foundation excise tax on investment income. Also, a deferred excise tax liability has not been calculated because there is no book-tax timing difference for unrealized appreciation in the value of marketable securities.

U.S. GAAP requires management to evaluate tax positions taken by the Foundation and recognize a tax liability (or asset) if the Foundation has taken an uncertain position that more likely than not would not be sustained upon examination by a taxing authority. Management has analyzed the tax positions taken by the Foundation, and has concluded that as of December 31, 2013 and 2012, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Foundation is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

The Foundation will recognize future accrued interest and penalties related to unrecognized tax benefits in excise tax expense if incurred. The Foundation's federal returns are subject to examination generally for three years after they are filed and state returns are subject to examination generally for four years after they are filed.

Promises to Give - Unconditional promises to give are recognized as expenditures and liabilities in the period approved. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Restricted and Unrestricted Revenue and Support - Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

RAHR FOUNDATION
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2013 AND 2012
(See Independent Accountants' Review Report)

NOTE 1 - Accounting Policies - Continued

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events - The Foundation has evaluated subsequent events through March 29, 2014, the date which the financial statements were available to be issued.

NOTE 2 - Concentration of Credit Risk

The Foundation has deposits with financial institutions that can exceed the FDIC insurance coverage amounts of \$250,000. Deposits over the \$250,000 FDIC insurance coverage may be insured under the Dodd-Frank Deposits Insurance Provision at December 31, 2012. The Dodd Frank Provision expired on January 1, 2013. Uninsured balances aggregate to the following:

	<u>DECEMBER 31,</u>	
	<u>2013</u>	<u>2012</u>
Based on bank balances	\$ <u> -</u>	\$ <u> -</u>

The Foundation maintains investment accounts with Morgan Stanley Smith Barney, LLC who is a member of the Securities Investor Protection Corporation (SIPC). Under the SIPC, securities in these accounts are protected up to \$500,000 per member. At December 31, 2013 and 2012 \$3,996,200 and \$3,790,477 of investments are uninsured and uncollateralized. The Foundation does not require their investment to be collateralized.

RAHR FOUNDATION
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2013 AND 2012
(See Independent Accountants' Review Report)

NOTE 3 - Investments

At December 31, 2013 and 2012, the Foundation's investments are held by Morgan Stanley Smith Barney, LLC. Information summarizing the relationship between adjusted cost basis and market values of investments at December 31, is as follows:

	<u>2013</u>		<u>2012</u>	
	<u>Adjusted cost basis</u>	<u>Market value</u>	<u>Adjusted cost basis</u>	<u>Market value</u>
Cash / money market funds	\$ 17,265	\$ 17,265	\$ 2,518	\$ 2,518
Corporate bonds	4,346	-	4,346	-
Mutual funds	<u>4,024,772</u>	<u>4,321,051</u>	<u>4,018,280</u>	<u>4,153,705</u>
	<u>\$ 4,046,383</u>	<u>\$ 4,338,316</u>	<u>\$ 4,025,144</u>	<u>\$ 4,156,223</u>

The following summarizes investment return for the years ended December 31:

	<u>2013</u>	<u>2012</u>
Interest	\$ 5	\$ 6
Dividends	125,211	114,041
Net realized gains (losses) on investments sold	107,496	27,511
Net unrealized appreciation (depreciation) in fair market value of investments	160,854	279,263
Miscellaneous refunds	<u>3,724</u>	<u>19,645</u>
	<u>\$ 397,290</u>	<u>\$ 440,466</u>

Expenses relating to investment revenues, including custodial fees and investment advisory fees, amounted to \$34,015 and \$33,169 for the years ended December 31, 2013 and 2012, respectively.

NOTE 4 - Fair Value Measurements

The Foundation has determined the fair value of certain assets in accordance with the provisions of U.S. GAAP, which provides a framework for measuring fair value under generally accepted accounting principles.

U.S. GAAP defines fair value as the exchange price that would be received for an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. U.S. GAAP requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. U.S. GAAP also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels.

RAHR FOUNDATION
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2013 AND 2012
(See Independent Accountants' Review Report)

NOTE 4 - Fair Value Measurements - Continued

Level 1 inputs consist of quoted prices in active markets for identical assets that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the related asset. Level 3 inputs are unobservable inputs related to the asset.

The asset's fair value measurement within the fair value hierarchy is based on the lowest of any input that is significant to the fair value measurement. The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2013 and 2012.

Mutual funds: Valued at net asset value (NAV) of shares held by the Foundation at year end.

Corporate bonds: Valued by discounting the bond's expected future cash flows to the present using an appropriate discount rate.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets and liabilities at fair value as of December 31, 2013 and 2012.

	Quoted Prices in Active Markets (Level 1)	Other Observable (Level 2)	Unobservable Inputs (Level 3)
December 31, 2013			
Mutual funds	\$ 4,321,051	\$ -	\$ -
Corporate bonds	-	-	-
TOTAL ASSETS	<u>\$ 4,321,051</u>	<u>\$ -</u>	<u>\$ -</u>
December 31, 2012			
Mutual funds	\$ 4,153,705	\$ -	\$ -
Corporate bonds	-	-	-
TOTAL ASSETS	<u>\$ 4,153,705</u>	<u>\$ -</u>	<u>\$ -</u>

RAHR FOUNDATION
NOTES TO FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2013 AND 2012
(See Independent Accountants' Review Report)

NOTE 5 - Federal Excise Taxes

The Foundation, a nonprofit organization, is subject to a 2% federal excise tax on net investment income (as defined). This tax is reduced to 1% if the Foundation satisfies certain requirements as to the level of distribution. Accordingly, federal excise taxes have been accrued in the amounts of \$3,712 and \$1,028 as of December 31, 2013 and 2012, respectively.

In addition, the Tax Reform Act requires that certain minimum distributions be made in accordance with a specified formula. The Foundation had undistributed income of \$16,682 at December 31, 2013 and \$6,907 at December 31, 2012.

NOTE 6 - Promises to Give

Conditional promises to give at December 31, are as follows:

	<u>2013</u>	<u>2012</u>
Conditional Promises to Give		
Scholarships	<u>\$ 45,000</u>	<u>\$ 39,000</u>

Rahr Scholarship commitments are conditioned on the students actually enrolling and maintaining satisfactory academic results.

NOTE 7 - Concentrations

The Foundation's investment in four mutual funds at December 31, 2013, represents 78.4% of total assets. The Foundation's investment in five mutual funds at December 31, 2012 represents 91.4% of total assets.

NOTE 8 - Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year financial statements.

RAHR FOUNDATION
INVESTMENT INFORMATION
DECEMBER 31, 2013
(See Independent Accountants' Review Report)

	<u>Face Amount / Shares Held</u>	<u>Adjusted Cost Basis</u>	<u>Market Value</u>
Cash / Money Market Funds			
Morgan Stanley Bank	N/A	\$ 17,265	\$ 17,265
		<u>\$ 17,265</u>	<u>\$ 17,265</u>
Corporate Bonds			
Lehman Brothers Hldgs Subordinated Notes, 6.0%, due May 3, 2032	5,000	4,346	-
		<u>\$ 4,346</u>	<u>\$ -</u>
Mutual Funds			
Blackrock Global Allocation	39,000	756,529	835,776
First Eagle Global A	23,591	1,104,676	1,269,664
Invesco Balanced Risk Allocation	33,385	416,108	396,947
Lazard Emerging Markets Equity Blend	19,413	218,544	217,041
Natixis Oakmark Intl	20,110	268,136	276,318
Pimco All Asset All Authority A	49,920	544,314	494,211
Wells Fargo Asset Alloc A	58,818	716,465	831,094
		<u>\$ 4,024,772</u>	<u>\$ 4,321,051</u>

RAHR FOUNDATION
PROGRAM GRANT PAYMENTS
(See Independent Accountants' Review Report)

	YEAR ENDED DECEMBER 31,	
	2013	2012
ALOIS Society, Minneapolis, MN	\$ -	\$ 3,000
Alzheimer's Association, MN-ND Chapter	-	1,000
ARC - Greater Twin Cities, St. Paul, MN	3,000	2,000
American Red Cross - Twin Cities Chapter	-	3,000
Augustana Care, Minneapolis, MN	-	1,000
Barbara Schneider Foundation	3,000	3,000
The Bell Museum of Natural History	3,000	-
Boys and Girls Club of the Twin Cities, St. Paul, MN	3,000	1,000
The Bridge for Youth	3,000	1,000
The Children's Theater Co., Minneapolis, MN	5,000	3,000
Clean Water Action Fund	-	1,000
College Possible, St. Paul, MN	-	2,000
The Conservancy of SW Florida, Naples	2,000	4,000
Courage Center, Golden Valley, MN	-	2,000
Dunwoody College of Technology, Minneapolis, MN	5,000	8,000
Earth Justice	5,000	-
Friends of the Minnesota River Valley, Bloomington, MN	-	2,000
Friends of the Mississippi River, St. Paul, MN	3,000	3,000
Friends of the Columbia Gorge	2,500	1,000
Gillette Children's Foundation, St. Paul, MN	-	4,000
Girl Scouts, MN & WI River Valleys, St. Paul, MN	2,000	1,000
Great River Greening, St. Paul, MN	-	3,000
Greater Twin Cities Youth Symphonies, St. Paul, MN	5,000	3,000
The Hill Museum & Manuscript Library	5,000	1,000
Hospitality House Youth Directions - Minneapolis, MN	-	2,000
Leukemia & Lymphoma Society, Golden Valley, MN	-	5,000
Metro Meals on Wheels	-	1,000

RAHR FOUNDATION
PROGRAM GRANT PAYMENTS - Continued
(See Independent Accountants' Review Report)

	YEAR ENDED DECEMBER 31,	
	2013	2012
Minneapolis Heart Institute Foundation, Minneapolis, MN	\$ -	\$ 4,000
Minneapolis Institute of Arts, Minneapolis, MN	10,000	8,000
Minnesota 4-H Foundation, St. Paul, MN	3,000	3,000
Minnesota Assistance Council for Veterans	-	1,000
Minnesota Historical Society, St. Paul, MN	-	1,000
Minnesota Land Trust, St. Paul, MN	10,000	3,000
Minnesota Landscape Arboretum, Chaska, MN	5,000	3,000
The Minnesota Opera, Minneapolis, MN	8,000	8,000
Minnesota Orchestra Association, Minneapolis, MN	-	2,000
Minnesota Zoo Foundation, Apple Valley, MN	-	2,000
Montana Environmental Information Center	2,000	-
Montana Land Reliance	4,000	3,000
Montana Trout Unlimited	3,000	-
The Nature Conservancy - Minneapolis, MN	-	5,000
North American Salmon Stronghold Partnership	-	5,000
Northern Star Council - Boy Scouts of America, Bloomington, MN	-	1,000
Outward Bound Voyager, Twin Cities	5,000	3,000
Perspectives Incorporated, St Louis Park, MN	-	2,000
Planned Parenthood, Minneapolis, MN	5,000	5,000
Rahr Foundation Scholarship Fund	30,000	27,000
Rakhma Peace Home, Minneapolis, MN	-	5,000
St. Paul Chamber Orchestra, St. Paul, MN	-	2,000
Salvation Army - Roseville, MN	-	2,000
Science Museum of MN, St. Paul, MN	-	2,000

RAHR FOUNDATION
PROGRAM GRANT PAYMENTS - Continued
(See Independent Accountants' Review Report)

	YEAR ENDED DECEMBER 31,	
	2013	2012
Sojourner Project, Inc.	\$ 3,000	\$ -
Southern Valley Alliance for Battered Women, Belle Plaine, MN	-	2,000
Sustainable Northwest	5,000	-
Tree House	5,000	-
Tree Trust - St. Paul, MN	3,000	1,000
 The Trust for Public Land	 1,500	 -
Twin Cities Public Television, St. Paul, MN	-	2,000
Union Gospel Mission, Minneapolis, MN	-	1,000
University of Minnesota Foundation	-	2,000
University of Minnesota Foundation, Nursing	-	500
 University of Minnesota Foundation, Pharmacy	 -	 500
Wildlife Rehabilitation Center	10,000	-
The Wild Salmon Center	10,000	-
Will Steger Foundation, Minneapolis, MN	10,000	5,000
YMCA - Camp Manito-Wish, Boulder Jct, WI	-	1,500
 TOTAL GRANT PAYMENTS	 182,000	 173,500
 Unconditional promises to give at beginning of year	 -	 -
Unconditional promises to give at end of year	-	-
 PROGRAM GRANT EXPENDITURES	 <u>\$ 182,000</u>	 <u>\$ 173,500</u>