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

2014

Open to Public Inspection

For calendar year 2014 or tax year beginning , and ending

Name of foundation
Leo C Parent Scholarship Trust II

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
2300 South Columbia Rd c/o Alerus Financial

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

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

A Employer identification number: 26-6312571

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

C If exemption application is pending, check here ▶ ☐

D 1 Foreign organizations, check here ▶ ☐

2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

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

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

H Check type of organization ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶ $ 1,411,659

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

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

	Line	Description	(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	4	4		
	4	Dividends and interest from securities	33,207	33,207		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	73,837			
	b	Gross sales price for all assets on line 6a 341,917				
	7	Capital gain net income (from Part IV, line 2)		73,837		
	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	107,048	107,048	0	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	14,517	9,678		4,839
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)	499			
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	913			
	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	15,929	9,678	0	4,839
	25	Contributions, gifts, grants paid	54,600			54,600
	26	**Total expenses and disbursements.** Add lines 24 and 25	70,529	9,678	0	59,439
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	36,519			
	b	**Net investment income** (if negative, enter -0-)		97,370		
	c	**Adjusted net income** (if negative, enter -0-)			0	

RECEIVED
MAY 1 2 2015
OGDEN, UT
E2-625
IRS-OSC

SCANNED MAY 1 4 2015

For Paperwork Reduction Act Notice, see instructions.
HTA

Form **990-PF** (2014)

P 12

Part II **Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

			Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	21,470	15,042	15,042
	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)	776,453	816,476	1,058,254
	c	Investments—corporate bonds (attach schedule)	331,068	333,992	338,363
	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)	1,128,991	1,165,510	1,411,659
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	81,085	117,604	
	30	**Total net assets or fund balances** (see instructions)	1,128,991	1,165,510	
	31	**Total liabilities and net assets/fund balances** (see instructions)	1,128,991	1,165,510	

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	1,128,991
2	Enter amount from Part I, line 27a	2	36,519
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,165,510
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	1,165,510

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	STCG Per schedule	P	Various	Various
b	LTCG Per schedule	P	Various	Various
c	Capital Gains Distributions			
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	88,943		85,029	3,914
b	251,643		183,051	68,592
c	1,331			1,331
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				3,914
b				68,592
c				1,331
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	73,837
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))
2013	52,175	1,270,206	0 041076
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

2	**Total** of line 1, column (d)	2	0 136352
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 027270
4	Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	1,370,784
5	Multiply line 4 by line 3	5	37,381
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	974
7	Add lines 5 and 6	7	38,355
8	Enter qualifying distributions from Part XII, line 4	8	59,439

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	974
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	974
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	974
6	Credits/Payments		
a	2014 estimated tax payments and 2013 overpayment credited to 2014 — 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	19
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	993
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 2015 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		
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 2014 or the taxable year beginning in 2014 (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) 795-3212
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 2014, 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 FinCEN Form 114, (formerly 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 2014?	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 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? ☐ 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 2014 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 2014)*	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 2014?	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 4945(d)(4)(A)? (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
	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	14,517		

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	1,373,403
b	Average of monthly cash balances	1b	18,256
c	Fair market value of all other assets (see instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	1,391,659
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	1,391,659
4	Cash deemed held for charitable activities Enter 1 ½ % of line 3 (for greater amount, see instructions)	4	20,875
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	1,370,784
6	**Minimum investment return.** Enter 5% of line 5	6	68,539

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	68,539
2a	Tax on investment income for 2014 from Part VI, line 5	2a	974		
b	Income tax for 2014 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	974
3	Distributable amount before adjustments Subtract line 2c from line 1			3	67,565
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	67,565
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	67,565

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	59,439
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	59,439
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	974
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	58,465

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 2013	(c) 2013	(d) 2014
1	Distributable amount for 2014 from Part XI, line 7				67,565
2	Undistributed income, if any, as of the end of 2014				
a	Enter amount for 2013 only			41,020	
b	Total for prior years 20____, 20____, 20____				
3	Excess distributions carryover, if any, to 2014				
a	From 2009				
b	From 2010				
c	From 2011				
d	From 2012				
e	From 2013				
f	**Total** of lines 3a through e	0			
4	Qualifying distributions for 2014 from Part XII, line 4 ▶ $ 59,439				
a	Applied to 2013, but not more than line 2a			41,020	
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 2014 distributable amount				18,419
e	Remaining amount distributed out of corpus				
5	Excess distributions carryover applied to 2014 *(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 2013 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f	Undistributed income for 2014 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2015				49,146
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required—see instructions)				
8	Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions)				
9	**Excess distributions carryover to 2015.** Subtract lines 7 and 8 from line 6a				
10	Analysis of line 9				
a	Excess from 2010				
b	Excess from 2011				
c	Excess from 2012				
d	Excess from 2013				
e	Excess from 2014				

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 2014, enter the date of the ruling ▶

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

	Tax year	Prior 3 years			
	(a) 2014	(b) 2013	(c) 2012	(d) 2011	(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	14,400
Bemidji State University 1500 Birchmont Dr NE Bemidji, MN 56601			Scholarships	2,400
Alexandria Technical & Community College 1601 Jefferson Street Alexandria, MN 56308			Scholarships	1,200
Association Free Lutheran Bible School 3134 Medicine Lake Blvd Plymouth, MN 55441			Scholarships	1,200
Century College 3300 Century Ave N White Bear Lake, MN 55110			Scholarships	1,200
Concordia College 901 8th St S Moorhead, MN 56562-0001			Scholarships	4,800
Crown College 8700 College View Dr St Bonifacius, MN 55375			Scholarships	1,200
Itasca Community College 1851 East Highway 169 Grand Rapids, MN 55744-3397			Scholarships	600
Minnesota State University-Moorhead 1104 7th Ave S Moorhead, MN 56563			Scholarships	6,000
MN State Community & Technical College-Moorhead 1900 28th Ave S Moorhead, MN 56560			Scholarships	2,400
Northland Community & Technical College - EGF 2022 Centeral Ave NE East Grand Forks, MN 56721-2702			Scholarships	1,200
Total See Attached Statement			▶ 3a	54,600
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	4	
4 Dividends and interest from securities			14	33,207	
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	73,837	
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		107,048	0

13 Total. Add line 12, columns (b), (d), and (e) 13 107,048

(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 Sandreal — 5/5/15 — Trust and Investment Officer

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
Brenda Jobe	Brenda Jobe	4/28/2015		P01258817
Firm's name ► Alerus Financial			Firm's EIN ►	45-0140105
Firm's address ► 2300 S Columbia Rd, Grand Forks, ND 58201			Phone no	701-795-3212

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

Recipient(s) paid during the year

Name					
Northland Community & Technical College - TRF					
Street 1101 Highway One East					
City Thief River Falls		**State** MN	**Zip Code** 56701	**Foreign Country**	
Relationship	**Foundation Status**				
Purpose of grant/contribution Scholarships					**Amount** 1,200

Name					
Northwest Technical College					
Street 905 Grant Avenue SE					
City Bemidji		**State** MN	**Zip Code** 56601-4907	**Foreign Country**	
Relationship	**Foundation Status**				
Purpose of grant/contribution Scholarships					**Amount** 1,200

Name					
Northwestern College					
Street 3003 Snelling Ave					
City St Paul		**State** MN	**Zip Code** 55113	**Foreign Country**	
Relationship	**Foundation Status**				
Purpose of grant/contribution Scholarships					**Amount** 3,600

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

Name					
University of St Thomas					
Street 2115 Summit Ave					
City St Paul		**State** MN	**Zip Code** 55105	**Foreign Country**	
Relationship	**Foundation Status**				
Purpose of grant/contribution Scholarships					**Amount** 1,200

Name					
University of Minnesota - Duluth					
Street 1049 University Dr					
City Duluth		**State** MN	**Zip Code** 55812	**Foreign Country**	
Relationship	**Foundation Status**				
Purpose of grant/contribution Scholarships					**Amount** 2,400

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

Recipient(s) paid during the year

Name
University of Minnesota - Minneapolis

Street
3 Morrill Hall

City	State	Zip Code	Foreign Country
Minneapolis	MN	55455	

Relationship	Foundation Status

Purpose of grant/contribution	Amount
Scholarships	2,400

Name
University of Minnesota - Crookston

Street
2900 University Ave

City	State	Zip Code	Foreign Country
Crookston	MN	56716-5001	

Relationship	Foundation Status

Purpose of grant/contribution	Amount
Scholarships	4,800

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

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

Leo C. Parent Scholarship Trust II
12/31/2014
#26-6312571

Description	Units	BV	12/31/2014 FMV
Cash		-	-
Federated		10,659 02	10,659 02
Northern		2,460 31	2,460 31
TOTAL		13,119 33	13,119 33
Deposits in Transit		1,922 87	1,922 87
Total Cash & Temporary Investments		**15,042.20**	**15,042.20**
Taxable Bonds			
CTF B	**37,567.428**	**333,991.85**	**338,362 54**
Equities			
ACCENTURE PLC	118 000	6,841 75	10,538 58
ABBOTT LABRATORIES (400) (Abbvie)	254 000	6,972 48	11,435 08
AMERICAN EXPRESS COMPANY (35)	113 000	6,959 26	10,513 52
APPLE COMPUTER (15)	285 000	15,025 58	31,458 30
AT&T INC (300)	230 000	6,757 25	7,725 70
Berkshire Hathaway "B"	77 000	6,046 75	11,561 55
BECTON DICKINSON & COMPANY (50)	72 000	5,713 86	10,019 52
Blackrock	18 000	3,392 62	6,436 08
BOEING COMPANY (190)	114 000	9,581 69	14,817 72
Citigroup	144 000	7,224 91	7,791 84
CELGENE CORP	40 000	2,841 92	4,474 40
CME GROUP (10)	85 000	4,739 19	7,535 25
CVS CORP (60)	122 000	6,641 55	11,749 82
CHEVRONTEXACO CORP COM (35)	83 000	9,357 84	9,310 94
CISCO SYSTEMS (6/25/10, 6/30/10) (90)	388 000	7,775 82	10,792 22
Coca Cola Company	220 000	8,568 00	9,288 40
COGNIZANT TECH SOLUTIONS CORP (50)	313 000	11,400 75	16,482 58
Comcast Corp	224 000	8,076 94	12,994 24
Danaher Corporation	82 000	4,365 11	7,028 22
DEMENSIONAL US SMALL CAP VALUE (1437	1,004 646	23,377 35	35,132 47
DICKS SPORTING GOODS	125 000	6,574 56	6,206 25
WALT DISNEY COMPANY (210)	104 000	5,226 48	9,795 76
DUPONT E DE NEMOURS (75)	136 000	6,389 61	10,055 84
EMC CORPORATION (285)	360 000	8,060 96	10,706 40
EATON CORP	184 000	11,499 92	12,504 64
Express Scripts	255 000	16,185 55	21,590 85
EXXON MOBIL CORP COM (110)	182 000	11,154 28	16,825 90
F5 Networks	69 000	6,495 24	9,002 09
GENERAL ELECTRIC COMPANY (720)	586 000	8,609 14	14,808 22
GOOGLE INC A (5)	31 000	16,870 57	16,450 46
GOOGLE INC C	(1 000)	(270 13)	6,316 80
HALLIBURTON COMPANY	223 000	8,549 44	8,770 59
Honeywell Int'l	79 000	4,580 37	7,893 68
ISHARES - NADSDAQ BIOTECH	89 000	18,023 51	26,998 15
ISHARES - US OIL%GAS EXPLORATION	162 000	14,379 52	11,571 66
INTERCONTINENTAL EXCHANGE GRP	46 000	9,173 99	10,087 34
JP MORGAN CHASE & CO (80)	187 000	6,642 27	11,702 46
[illegible]	143 000	11,594 98	14,953 51

LEO C PARENT SCHOLARSHIP TRST II
ALERUS FINANCIAL NA
Realized Gain/Loss Report

Start Date 01/01/2014
End Date 12/31/2014

1020000113
Administrator BOBBI SONDREAL 701-795-2624

Description	Sold	Acquired	Proceeds	Cost	Gain/Loss
** SHORT TERM CAPITAL GAIN (LOSS)					
159 SHARES OF BROADCOM CORPORATION	5/1/2014	8/2/2013	4,840 50	4,269 13	571 37
5 SHARES OF CELGENE CORP	7/28/2014	3/27/2014	438 49	355 24	83 25
41 SHARES OF CELGENE CORP	7/30/2014	3/27/2014	3,628 01	2,912 97	715 04
40 SHARES OF CELGENE CORP	11/26/2014	3/27/2014	4,490 83	2,841 93	1,648 90
41 SHARES OF CITIGROUP INC	2/21/2014	10/25/2013	1,980 19	2,057 31	(77 12)
7 SHARES OF CITIGROUP INC	8/20/2014	10/25/2013	348 66	351 25	(2 59)
26 SHARES OF COVIDIEN PLC	6/27/2014	8/2/2013	2,362 14	1,645 00	717 14
48 SHARES OF DICK'S SPORTING GOODS	8/20/2014	3/18/2014	2,156 59	2,746 68	(590 09)
631 991 SHARES OF DIMENSIONAL DFA WORLD EX US CORE EQUITY INSTL	2/26/2014	1/9/2014	6,863 42	6,787 58	75 84
332 892 SHARES OF DIMENSIONAL INTERNATIONAL VALUE	2/26/2014	1/9/2014	6,677 81	6,587 94	89 87
52 SHARES OF EXPRESS SCRIPTS HLDG CO	2/18/2014	8/2/2013	4,008 69	3,386 21	622 48
33 SHARES OF EXPRESS SCRIPTS HLDG CO	2/18/2014	10/11/2013	2,543 98	2,080 75	463 23
164 288 SHARES OF FIDELITY ADVISOR INTL DISCOVERY I	2/26/2014	1/9/2014	6,601 09	6,587 94	13 15
11 SHARES OF INTERCONTINENTAL EXCHANGE GRP	9/25/2014	1/27/2014	2,157 48	2,248 09	(90 61)
19 SHARES OF INTERCONTINENTAL EXCHANGE GRP	10/30/2014	1/27/2014	3,871 60	3,883 07	(11 47)
25 SHARES OF LOWES COMPANIES INC	7/30/2014	3/18/2014	1,210 97	1,246 34	(35 37)
29 SHARES OF METLIFE INC	7/30/2014	2/20/2014	1,576 11	1,476.47	99 64
79 SHARES OF PFIZER INC	3/27/2014	4/9/2013	2,537 83	2,313 23	224 60
28 919 SHARES OF PIMCO COMMODITY REAL RETURN STRATEGY FUND INST #45	1/9/2014	2/25/2013	155 01	190 00	(34 99)
1895 302 SHARES OF PIMCO COMMODITY REAL RETURN STRATEGY FUND INST #45	1/9/2014	5/14/2013	10,158 82	11,845 64	(1,686 82)
1 SHARES OF PRICELINE COM INC	7/28/2014	5/9/2014	1,239 51	1,127 45	112 06
6 SHARES OF PRICELINE COM INC	7/30/2014	5/9/2014	7,528 99	6,764 70	764 29
11 SHARES OF STARBUCKS CORP	7/30/2014	1/24/2014	867 77	833 34	34 43
6 SHARES OF STARWOOD HOTELS & RESORTS	3/18/2014	8/2/2013	472 33	409.44	62 89
102 SHARES OF TARGET CORP	1/24/2014	9/6/2013	5,948 94	6,490 69	(541 75)
95 SHARES OF US BANCORP DEL COM NEW	3/27/2014	8/2/2013	3,986 44	3,590 99	395 45
TOTAL GAIN FROM PARTNERSHIPS, S CORPORATIONS, OR OTHER FIDUCIARIES			291 13	-	291 13
** TOTAL SHORT TERM CAPITAL GAIN (LOSS)			88,943 33	85,029 38	3,913 95
** LONG TERM CAPITAL GAIN (LOSS)					
4 SHARES OF ACCENTURE PLC	8/20/2014	8/2/2013	321 43	298 08	23 35
29 SHARES OF AMERICAN EXPRESS COMPANY	1/27/2014	7/1/2011	2,493 97	1,418 51	1,075 46
115 SHARES OF APACHE CORPORATION	2/20/2014	1/15/2002	9,672 82	9,718 55	(45 73)
54 SHARES OF APPLE COMPUTER INC	7/30/2014	7/1/2011	5,307 54	3,171.62	2,135 92
28 SHARES OF APPLE COMPUTER INC	7/30/2014	11/16/2012	2,752 06	2,105 68	646 38
35 SHARES OF APPLE COMPUTER INC	7/30/2014	1/17/2013	3,440 07	2,515 02	925 05
18 SHARES OF APPLE COMPUTER INC	8/20/2014	7/1/2011	1,814 18	881 13	933 05
18 SHARES OF AT&T INC	8/20/2014	9/27/2011	620 44	521 72	98 72
28 SHARES OF BERKSHIRE HATHAWAY *B*	2/21/2014	1/30/2012	3,172 36	2,198 82	973 54
7 SHARES OF BERKSHIRE HATHAWAY *B*	7/30/2014	1/30/2012	894 51	549 70	344 81
7 SHARES OF BLACKROCK INC	7/30/2014	5/2/2012	2,205 37	1,319 35	886 02
6 SHARES OF BLACKROCK INC	8/20/2014	8/2/2013	1,947 25	1,719 24	228 01
24 SHARES OF BOEING COMPANY	7/30/2014	8/14/2009	2,931 53	1,512 96	1,418 57
2 SHARES OF BOEING COMPANY	7/30/2014	1/20/2011	244 29	126 08	118 21
8 SHARES OF BOEING COMPANY	8/20/2014	8/14/2009	1,019 25	504 32	514 93
75 SHARES OF BROADCOM CORPORATION	5/1/2014	5/4/2011	2,283 26	2,600 18	(316 92)
115 SHARES OF CARDINAL HEALTH INC	3/27/2014	5/13/2011	7,985 10	5,118 58	2,866 52
12 SHARES OF CARDINAL HEALTH INC	3/27/2014	7/1/2011	833 23	556 77	276 46
3 SHARES OF CHEVRONTEXACO CORP COM	8/20/2014	7/1/2011	381 95	311 67	70 28
9 SHARES OF COCA COLA COMPANY	8/20/2014	8/2/2013	370 52	362 34	8 18
42 SHARES OF COGNIZANT TECH SOLUTIONS CORP	4/11/2014	7/1/2011	2,007 35	1,664 99	342 36
48 SHARES OF COGNIZANT TECH SOLUTIONS CORP	7/30/2014	7/1/2011	2,395 15	1,797 12	598 03
34 SHARES OF COGNIZANT TECH SOLUTIONS CORP	7/30/2014	5/8/2013	1,696 56	1,151 04	545 52

Description	Sold	Acquired	Proceeds	Cost	Gain/Loss
64 SHARES OF COMCAST CORP NEW CL A	7/30/2014	5/24/2012	3,535 92	1,867 81	1,668 11
55 SHARES OF COVIDIEN PLC	6/27/2014	8/26/2009	4,996 83	1,981 38	3,015 45
37 SHARES OF COVIDIEN PLC	6/27/2014	8/30/2011	3,361 51	1,754 05	1,607 46
16 SHARES OF CVS CORP	4/11/2014	12/16/2004	1,165 72	477 12	688 60
9 SHARES OF DANAHER CORPORATION	7/30/2014	6/18/2013	666 61	576 11	90 50
19 SHARES OF DANAHER CORPORATION	8/20/2014	6/18/2013	1,466 20	1,216 23	249 97
16 519 SHARES OF DIMENSIONAL US SMALL CAP VALUE	2/26/2014	11/9/2012	580 00	321 79	258 21
8 SHARES OF DUPONT E I DE NEMOURS & COMPANY	8/20/2014	8/2/2013	529 67	281 92	247 75
62 SHARES OF EATON CORP PLC	3/27/2014	6/9/2011	4,503 65	2,912 93	1,590 72
8 SHARES OF EATON CORP PLC	8/20/2014	8/2/2013	562 70	528 40	34 30
19 SHARES OF EMC CORPORATION	8/20/2014	8/2/2013	562 38	353 21	209 17
15 SHARES OF EXPRESS SCRIPTS HLDG CO	2/18/2014	5/22/2012	1,156 35	797 33	359 02
22 SHARES OF EXPRESS SCRIPTS HLDG CO	7/28/2014	2/20/2013	1,447 34	1,258 63	188 71
16 SHARES OF EXXON MOBIL CORP COM	7/28/2014	8/30/2011	1,668 92	5,940 03	(4,271 11)
6 SHARES OF F5 NETWORKS INC	7/28/2014	10/24/2012	680 32	566 39	113 93
18 SHARES OF F5 NETWORKS INC	7/30/2014	10/24/2012	2,080 57	1,699 19	381 38
1 SHARES OF GOOGLE INC A	8/20/2014	4/15/2011	595 23	269 42	325 81
1 SHARES OF GOOGLE INC C	8/20/2014	4/15/2011	584 41	270 13	314 28
80 SHARES OF HALLIBURTON COMPANY	7/30/2014	11/10/2011	5,663 94	2,977 46	2,686 48
18 SHARES OF HALLIBURTON COMPANY	7/30/2014	1/14/2013	1,274 39	645 44	628 95
1 SHARES OF HONEYWELL INTL INC COM	7/30/2014	7/19/2012	94 03	57 98	36 05
4 SHARES OF ISHARES NASDAQ BIOTECHNOLOGY INDEX FUND	7/30/2014	8/2/2012	1,028 74	524 51	504 23
14 SHARES OF ISHARES NASDAQ BIOTECHNOLOGY INDEX FUND	8/20/2014	8/2/2013	3,740 58	2,810 03	930 55
10 SHARES OF JOHNSON AND JOHNSON	7/30/2014	1/25/2012	1,022 88	652 47	370 41
40 SHARES OF JOHNSON AND JOHNSON	7/30/2014	3/25/2013	4,091 51	3,186 81	904 70
99 SHARES OF JP MORGAN CHASE & CO	7/30/2014	7/1/2011	5,832 03	4,123 35	1,708 68
60 SHARES OF MCDONALDS CORP COM	5/9/2014	2/6/2009	6,139 06	4,316 19	1,822 87
84 SHARES OF MCDONALDS CORP COM	5/9/2014	4/13/2011	8,594 69	6,473 03	2,121 66
12 SHARES OF MONDELEZ INTL INC	8/20/2014	3/7/2013	434 15	343 68	90 47
5 SHARES OF MONSANTO COMPANY	8/20/2014	8/2/2013	604 44	486 75	117 69
6 SHARES OF NATIONAL OILWELL VARCO	7/30/2014	1/14/2013	490 96	198 12	292 84
4 SHARES OF NATIONAL OILWELL VARCO	8/20/2014	1/14/2013	334 39	132 08	202 31
47 SHARES OF NIKE INC CL B	3/18/2014	9/22/2011	3,737 16	1,957 46	1,779 70
0 25 SHARES OF NOW INC	6/6/2014	1/14/2013	8 41	6 91	1 50
18 75 SHARES OF NOW INC	6/26/2014	8/26/2009	672 77	281 70	391 07
6 25 SHARES OF NOW INC	6/26/2014	1/14/2013	224 26	172 63	51 63
42 SHARES OF ORACLE CORPORATION	5/1/2014	6/17/2002	1,712 29	913 50	798 79
24 SHARES OF PEPSICO INC	7/30/2014	5/16/2012	2,136 19	1,469 52	666 67
5 SHARES OF PHILIP MORRIS	8/20/2014	3/24/1975	424 78	228 60	196 18
984 639 SHARES OF PIMCO COMMODITY REAL RETURN STRATEGY FUND INST #45	1/9/2014	1/2/2009	5,277 66	7,197 71	(1,920 05)
66 614 SHARES OF PIMCO COMMODITY REAL RETURN STRATEGY FUND INST #45	1/9/2014	4/30/2009	357 05	486 95	(129 90)
721 463 SHARES OF PIMCO COMMODITY REAL RETURN STRATEGY FUND INST #45	1/9/2014	8/26/2009	3,867 04	5,273 89	(1,406 85)
3 SHARES OF PRAXAIR INC	8/20/2014	12/9/2005	391 04	232 11	158 93
4 SHARES OF PROCTER & GAMBLE CO	8/20/2014	8/2/2013	331 31	241 28	90 03
25 SHARES OF PRUDENTIAL FINANCIAL INC	1/27/2014	7/1/2011	2,073 71	1,359 00	714 71
6 SHARES OF PRUDENTIAL FINANCIAL INC	1/27/2014	8/30/2011	497 69	326 16	171 53
9 SHARES OF PRUDENTIAL FINANCIAL INC	7/30/2014	8/30/2011	801 61	489 24	312 37
10 SHARES OF QUALCOMM CORPORATION	8/20/2014	1/9/2013	764 88	649 40	115 48
1 SHARES OF SCHLUMBERGER LIMITED	7/30/2014	1/24/2012	110 51	74 51	36 00
6 SHARES OF SCHLUMBERGER LIMITED	8/20/2014	8/2/2013	658 90	497 16	161 74
30 SHARES OF STARWOOD HOTELS & RESORTS	3/18/2014	11/14/2012	2,361 66	1,548 26	813 40
38 SHARES OF STATE STREET CORP	1/27/2014	3/25/2010	2,603 66	1,290 10	1,313 56
5 SHARES OF STATE STREET CORP	7/30/2014	10/28/2009	358 59	169 75	188 84
2 SHARES OF STATE STREET CORP	7/30/2014	3/25/2010	143 44	67 90	75 54
13 SHARES OF STATE STREET CORP	8/20/2014	10/28/2009	916 74	441 35	475 39
25 SHARES OF SUNCOR ENERGY INC	7/30/2014	6/10/2013	1,042 98	781 62	261 36
150 SHARES OF TJX COMPANIES	3/18/2014	6/2/2009	9,142 10	3,152 25	5,989 85
18 SHARES OF UNITED HEALTH GROUP INC	7/30/2014	10/10/2011	1,491 99	831 23	660 76
1 SHARES OF UNITED TECHNOLOGIES CORPORATION	7/30/2014	7/1/2011	106 24	64 97	41 27
3 SHARES OF UNITED TECHNOLOGIES CORPORATION	8/20/2014	7/1/2011	328 88	194 91	133 97
8 SHARES OF VANGUARD REIT ETF	8/20/2014	3/1/2013	619 58	551 70	67 88
62 276 SHARES OF VANGUARD SMALL CAP GROWTH INDEX ADMIRAL	2/26/2014	4/26/2011	2,785 00	1,926 81	858 19
15 SHARES OF VISA INC	7/30/2014	11/10/2011	3,209 03	1,397 25	1,811 78
34 SHARES OF WAL-MART STORES INC	7/30/2014	3/7/2013	2,542 12	2,501 70	40 42
14 SHARES OF WAL-MART STORES INC	8/20/2014	3/7/2013	1,049 13	1,030 11	19 02
25 SHARES OF WAL-MART STORES INC	9/16/2014	1/29/2009	1,907 12	1,201 50	705 62
5 SHARES OF WAL-MART STORES INC	9/16/2014	4/8/2009	381 43	262 00	119 43

Description	Sold	Acquired	Proceeds	Cost	Gain/Loss
46 SHARES OF WALT DISNEY COMPANY	3/18/2014	6/6/2005	3,779 42	1,485 80	2,293 62
21 SHARES OF WALT DISNEY COMPANY	4/11/2014	6/6/2005	1,624 08	678 30	945 78
12 SHARES OF WALT DISNEY COMPANY	8/20/2014	6/6/2005	1,079 25	387 60	691 65
54 SHARES OF WELLS FARGO & COMPANY	3/27/2014	8/26/2009	2,637 50	1,400 22	1,237 28
15 SHARES OF WELLS FARGO & COMPANY	4/11/2014	5/12/2009	725 34	388 95	336 39
18 SHARES OF WELLS FARGO & COMPANY	4/11/2014	8/26/2009	870 41	466 74	403 67
7 SHARES OF WELLS FARGO & COMPANY	8/20/2014	5/12/2009	355 80	181 51	174 29
70 SHARES OF WAL-MART STORES INC	9/16/2014	9/26/2011	5,339 94	3,619 32	1,720 62
7 SHARES OF WAL-MART STORES INC	9/16/2014	3/7/2013	533 99	515 06	18 93
55 SHARES OF CHEVRONTEXACO CORP COM	9/24/2014	7/1/2011	6,734 05	5,713 90	1,020 15
205 SHARES OF SUNCOR ENERGY INC	9/24/2014	6/10/2013	7,594 94	6,409 31	1,185 63
28 SHARES OF CME GROUP	9/25/2014	8/2/2013	2,215 12	2,574 66	(359 54)
109 SHARES OF SPDR TR UNIT SER 1	10/1/2014	6/5/2013	21,322 88	17,624 13	3,698 75
47 SHARES OF STARWOOD HOTELS & RESORTS	10/2/2014	8/2/2013	3,727 92	3,207 25	520 67
35 SHARES OF WALT DISNEY COMPANY	10/15/2014	6/6/2005	2,880 02	1,130 50	1,749 52
7 SHARES OF MONSANTO COMPANY	10/30/2014	7/3/2012	791 14	586 30	204 84
26 SHARES OF MONSANTO COMPANY	10/30/2014	8/2/2013	2,938 51	2,531 09	407 42
9 SHARES OF SCHLUMBERGER LIMITED	11/18/2014	1/24/2012	862 30	670 59	191 71
16 SHARES OF SCHLUMBERGER LIMITED	11/18/2014	8/2/2013	1,532 97	1,325 75	207 22
7 SHARES OF NATIONAL OILWELL VARCO	11/18/2014	8/26/2009	504 26	231 14	273 12
16 SHARES OF NATIONAL OILWELL VARCO	11/18/2014	1/14/2013	1,152 58	528 32	624 26
TOTAL GAIN FROM PARTNERSHIPS, S CORPORATIONS, OR OTHER FIDUCIARIES			1,123 31	-	1,123 31
** TOTAL LONG TERM CAPITAL GAIN (LOSS)			251,642 99	183,051 02	68,591 97
** LONG TERM CAPITAL GAINS DIVIDENDS					
1004 646 BASIS SHARES OF DIMENSIONAL US SMALL CAP VALUE			-	-	1,331 37
** TOTAL CAPITAL GAIN (LOSS)			340,586 32	268,080 40	73,837 29

Part I, Line 6 (990-PF) - Gain/Loss from Sale of Assets Other Than Inventory

	Amount
Long Term CG Distributions	
Short Term CG Distributions	0

Totals	Gross Sales	Cost, Other Basis and Expenses	Net Gain or Loss
Capital Gains/Losses	341,917	268,080	73,837
Other sales	0	0	0

	Check "X" to include in Part IV	Description	CUSIP #	Purchaser	Check "X" if Purchaser is a Business	Date Acquired	Acquisition Method	Date Sold	Gross Sales Price	Cost or Other Basis	Valuation Method	Expense of Sale and Cost of Improvements	Depreciation	Adjustments	Net Gain or Loss
1	X	STCG Per schedule			X	Various	P	Various	88,943	85,029					3,914
2	X	LTCG Per schedule			X	Various	P	Various	251,643	183,051					68,592
3	X	Capital Gains Distributions			X				1,331						1,331

Part I, Line 16b (990-PF) - Accounting Fees

		499	0	0	0
	Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
1	Alerus Financial	499			

Part I, Line 18 (990-PF) - Taxes

		913	0	0	0
	Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1	2013 Federal Excise tax	913			

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

	Description	Num Shares/ Face Value	Book Value Beg of Year	Book Value End of Year	FMV Beg of Year	FMV End of Year
			776,453	816,476	1,023,971	1,058,254
1	See attached schedule US Equity		622,631	640,437	847,742	877,404
2	See attached schedule - International Equity		153,822	176,039	176,229	180,850

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

				331,068	333,992	326,218	338,363
	Description	Interest Rate	Maturity Date	Book Value Beg of Year	Book Value End of Year	FMV Beg of Year	FMV End of Year
1	CTF-B			331,068	333,992	326,218	338,363

Part VIII, Line 1 (990-PF) - Compensation of Officers, Directors, Trustees and Foundation Managers

										14,517	0	0
	Name	Check "X" if Business	Street	City	State	Zip Code	Foreign Country	Title	Avg Hrs Per Week	Compensation	Benefits	Expense Account
1	Alerus Financial	X	2300 S Columbia Rd	Grand Forks	ND	58201		Trustee	1.00	14,517		