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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 instructions is at *www.irs.gov/form990pf*.**

OMB No 1545-0052

2014

Open to Public Inspection

For calendar year 2014, or tax year beginning 01-01-2014 , and ending 12-31-2014

Name of foundation
SALEM FOUNDATION INC

A Employer identification number
41-6058845

Number and street (or P O box number if mail is not delivered to street address)
418 WAYCLIFFE DRIVE NORTH

Room/suite

B Telephone number (see instructions)
(952) 476-6292

City or town, state or province, country, and ZIP or foreign postal code
WAYZATA, MN 55391

C If exemption application is pending, check here ▶ ☐

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

D 1. Foreign organizations, check here ▶ ☐

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

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

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

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 1,099,856

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

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

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

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)				
	2 Check ▶ ☑ if the foundation is **not** required to attach Sch B				
	3 Interest on savings and temporary cash investments	8	8		
	4 Dividends and interest from securities	64,513	65,092		
	5a Gross rents		4		
	b Net rental income or (loss) _____				
	6a Net gain or (loss) from sale of assets not on line 10	16,235			
	b Gross sales price for all assets on line 6a 485,303				
	7 Capital gain net income (from Part IV, line 2)		8,459		
	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)	3,528	3,978		
	12 **Total.** Add lines 1 through 11	84,284	77,541		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0	0		0
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	5,130	2,565		2,565
	c Other professional fees (attach schedule)	15	15		0
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	999	0		0
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	25	76		25
	24 **Total operating and administrative expenses.** Add lines 13 through 23	6,169	2,656		2,590
	25 Contributions, gifts, grants paid	59,800			59,800
	26 **Total expenses and disbursements.** Add lines 24 and 25	65,969	2,656		62,390
	27 Subtract line 26 from line 12				
	a **Excess of revenue over expenses and disbursements**	18,315			
	b **Net investment income** (if negative, enter -0-)		74,885		
	c **Adjusted net income** (if negative, enter -0-)				

Part II Balance Sheets — Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	17,207	4,357	4,357
	2 Savings and temporary cash investments	5,995	3,531	3,531
	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)	950,208	995,972	992,153
	c Investments—corporate bonds (attach schedule)	20,427		
	11 Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)	104,984	113,276	99,815
	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)	1,098,821	1,117,136	1,099,856
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	0	0	
	28 Paid-in or capital surplus, or land, bldg , and equipment fund	0	0	
	29 Retained earnings, accumulated income, endowment, or other funds	1,098,821	1,117,136	
	30 **Total net assets or fund balances** (see instructions)	1,098,821	1,117,136	
	31 **Total liabilities and net assets/fund balances** (see instructions)	1,098,821	1,117,136	

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	1,098,821
2	Enter amount from Part I, line 27a	2	18,315
3	Other increases not included in line 2 (itemize) ▶ _____	3	0
4	Add lines 1, 2, and 3	4	1,117,136
5	Decreases not included in line 2 (itemize) ▶ _____	5	0
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,117,136

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	See Additional Data Table			
b				
c				
d				
e				

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

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
	(i) 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	See Additional Data Table			
b				
c				
d				
e				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 }	2	8,459
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	

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 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	39,353	1,125,965	0 034950
2012	47,732	1,065,777	0 044786
2011	53,018	1,076,902	0 049232
2010	43,575	996,718	0 043718
2009	49,591	836,575	0 059279

2	**Total** of line 1, column (d)	2	0 231965
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 046393
4	Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	1,159,308
5	Multiply line 4 by line 3	5	53,784
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	749
7	Add lines 5 and 6	7	54,533
8	Enter qualifying distributions from Part XII, line 4	8	62,390

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 page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 Date of ruling or determination letter _____ **(attach copy of letter if necessary–see instructions)**		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☑ and enter 1% of Part I, line 27b	1	749
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	749
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	749
6	Credits/Payments		
a	2014 estimated tax payments and 2013 overpayment credited to 2014 — 6a: 1,200		
b	Exempt foreign organizations—tax withheld at source — 6b:		
c	Tax paid with application for extension of time to file (Form 8868) — 6c: 1,000		
d	Backup withholding erroneously withheld — 6d:		
7	Total credits and payments Add lines 6a through 6d	7	2,200
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	1,451
11	Enter the amount of line 10 to be **Credited to 2015 estimated tax** ▶ 760 **Refunded** ▶	11	691

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		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for definition)?	1b		No
	*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		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ 0 **(2)** On foundation managers ▶ $ 0			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ 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.*	2		No
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		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		No
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	Yes	
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	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ 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 .*	8b	Yes	
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		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses.*	10		No

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		No
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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶ N/A

14 The books are in care of ▶ ROBERT PARISH Telephone no ▶ (952) 476-6292

Located at ▶ 2181 SPRINGWOOD ROAD WAYZATA MN ZIP+4 ▶ 55391

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** —Check here . . . . . ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year . . . . . ▶ 15

16	At any time during calendar year 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		No

See instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) 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		
	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		No
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		
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		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
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		No

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**		
	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**		**No**
	If "Yes" to 6b, file Form 8870.			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☑ No			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	**7b**		

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
MICHAEL PARISH 71 MACKUBIN STREET ST PAUL,MN 55102	SECRETARY 0 50	0	0	0
ROBERT S PARISH 2181 SPRINGWOOD ROAD WAYZATA,MN 55391	PRESIDENT 0 50	0	0	0
JOHN C PARISH JR PO BOX 407 CASTINE,ME 04421	DIRECTOR 0 50	0	0	0
JUDITH DIEDRICH 7924 HAMPTON COURT UNIVERSITY PARK,FL 34201	DIRECTOR 0 50	0	0	0

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

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

Total number of other employees paid over $50,000 ▶ 0

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. . . . . ▶		0

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

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1	
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	
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	1,132,423
b	Average of monthly cash balances		1b	44,539
c	Fair market value of all other assets (see instructions)		1c	0
d	**Total** (add lines 1a, b, and c)		1d	1,176,962
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	1,176,962
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	17,654
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	1,159,308
6	**Minimum investment return.** Enter 5% of line 5		6	57,965

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	57,965
2a	Tax on investment income for 2014 from Part VI, line 5	2a 749		
b	Income tax for 2014 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	749
3	Distributable amount before adjustments Subtract line 2c from line 1		3	57,216
4	Recoveries of amounts treated as qualifying distributions		4	0
5	Add lines 3 and 4		5	57,216
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	57,216

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	62,390
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	62,390
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	749
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	61,641

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				57,216
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only			162	
b Total for prior years 20___, 20___, 20___		0		
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 ▶ $ 62,390				
a Applied to 2013, but not more than line 2a			162	
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 2014 distributable amount				57,216
e Remaining amount distributed out of corpus	5,012			
5 Excess distributions carryover applied to 2014	0			0
(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	5,012			
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 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				0
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)	0			
8 Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions)	0			
9 **Excess distributions carryover to 2015.** Subtract lines 7 and 8 from line 6a	5,012			
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	5,012			

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2014, enter the date of the ruling. . . . . ▶

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

	Tax year	Prior 3 years			(e) Total
	(a) 2014	(b) 2013	(c) 2012	(d) 2011	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed. . .					
c "Support" alternative test—enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) . . .					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii). . . .					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization 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))

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

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

ROBERT PARISH
2181 SPRINGWOOD ROAD
WAYZATA,MN 55391
(952) 476-6292

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

LETTER FORM AND INCLUDE COPY OF IRS DETERMINATION LETTER

c Any submission deadlines

NONE

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

GRANTS ARE TO BE EXPENDED FOR CHARITABLE, LITERARY, EDUCATIONAL, RELIGIOUS, AND SCIENTIFIC ORGANIZATIONS

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* See Additional Data Table				
Total . . . . . ▶ **3a**				59,800
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)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income (See instructions)
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	8	
4 Dividends and interest from securities			14	64,513	
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	3,528	
8 Gain or (loss) from sales of assets other than inventory			18	16,235	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a PARTNERSHIP CASH DISTRIBUTIONS			01		
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0		84,284	0
13 **Total.** Add line 12, columns (b), (d), and (e)				13	84,284

(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)		No
	(2) Other assets	1a(2)		No
b	Other transactions		
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		No
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		No
	(3) Rental of facilities, equipment, or other assets	1b(3)		No
	(4) Reimbursement arrangements	1b(4)		No
	(5) Loans or loan guarantees	1b(5)		No
	(6) Performance of services or membership or fundraising solicitations	1b(6)		No
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		No

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

****** | 2015-08-14 | ******

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ▶ ☐	PTIN
TODD A JACKSON				P00092672

Firm's name ▶ MCGLADREY LLP — Firm's EIN ▶ 42-0714325

Firm's address ▶ 801 NICOLLET MALL SUITE 1100 MINNEAPOLIS, MN 55402 — Phone no (612) 332-4300

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

(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)
PUBLICLY TRADED SECURITIES			
ATLAS PIPELINE - SCH K-1 1231 LOSS	P		
BLACKSTONE GROUP - SCH K-1 1250/1231 GAIN	P		
ATLAS PIPELINE - SCH K-1 LT GAIN	P		
BLACKSTONE GROUP - SCH K-1 LT GAIN	P		
CAPITAL GAINS DIVIDENDS	P		

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

(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)
478,571		477,510	1,061
			-8
			66
			327
			281
6,732			6,732

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			**(l)** Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
(i) 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	
			1,061
			-8
			66
			327
			281
			6,732

Form 990PF Part XV Line 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*				
ALL FAITHS FOOD BANK 8171 BLAIKIE COURT SARASOTA,FL 34240	NONE	PUBLIC CHARITY	PROGRAM SUPPORT	1,500
ARTHRITIS FOUNDATION 408 12TH STREET W SARASOTA,FL 34205	NONE	PUBLIC CHARITY	PROGRAM SUPPORT	1,000
CARLETON COLLEGE ONE NORTH COLLEGE STREET NORTHFIELD,MN 55057	NONE	EDUCATIONAL	PROGRAM SUPPORT	500
CASTINE COMMUNITY PARTNERS PO BOX 506 CASTINE,ME 04421	NONE	PUBLIC CHARITY	PROGRAM SUPPORT	5,000
CHURCH OF THE REDEEMER 222 SOUTH PALM AVE SARASOTA,FL 34236	NONE	RELIGIOUS	PROGRAM SUPPORT	1,000
CIRCUS SARASOTA 8251 15TH ST E B SARASOTA,FL 34243	NONE	PUBLIC CHARITY	PROGRAM SUPPORT	500
EMILY PROGRAM FOUNDATION 2265 COMO AVE ST PAUL,MN 55108	NONE	PUBLIC CHARITY	PROGRAM SUPPORT	500
GUILD INC 130 S WABASH ST STE 90 ST PAUL,MN 55107	NONE	PUBLIC CHARITY	PROGRAM SUPPORT	1,000
LIFEFLIGHT FOUNDATION PO BOX 899 CAMDEN,ME 04843	NONE	PUBLIC CHARITY	PROGRAM SUPPORT	1,000
MEMORIAL SLOAN-KETTERING CANCER CENTER 1275 YORK AVE NEW YORK CITY,NY 10065	NONE	PUBLIC CHARITY	PROGRAM SUPPORT	1,000
MINNESOTA MEDICAL FOUNDATION 200 OAK ST SE 300 MINNEAPOLIS,MN 55455	NONE	PUBLIC CHARITY	PROGRAM SUPPORT	1,250
NORTH STAR MUSEUM OF BOY SCOUTING & GIRL SCOUTING 2640 E SEVENTH AVE NORTH ST PAUL,MN 55109	NONE	PUBLIC CHARITY	PROGRAM SUPPORT	750
PEOPLE INCORPORATED 317 YORK AVENUE ST PAUL,MN 55130	NONE	PUBLIC CHARITY	PROGRAM SUPPORT	5,000
RESURRECTION HOUSE 507 KUMQUAT COURT SARASOTA,FL 34236	NONE	PUBLIC CHARITY	PROGRAM SUPPORT	750
SALVATION ARMY SARASOTA COMMAND 1400 TENTH ST SARASOTA,FL 34230	NONE	PUBLIC CHARITY	PROGRAM SUPPORT	700
Total . . . . . ▶ **3a**				59,800

Form 990PF Part XV Line 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*				
ST JOHN THE BAPTIST EPISCOPAL CHURCH 60 KENT STREET ST PAUL,MN 55102	NONE	RELIGIOUS	PROGRAM SUPPORT	1,500
ST JUDE CHILDREN'S RESEARCH HOSPITAL 262 DANNY THOMAS PLACE MEMPHIS,TN 38105	NONE	PUBLIC CHARITY	PROGRAM SUPPORT	1,000
THE BAY SCHOOL PO BOX 950 BLUE HILL,ME 04614	NONE	EDUCATIONAL	PROGRAM SUPPORT	1,000
TRINITY COLLEGE 300 SUMMIT STREET HARTFORD,CT 06106	NONE	EDUCATIONAL	PROGRAM SUPPORT	250
TRINITY EPISCOPAL CHURCH 5333 N TAMIAMI TRL 101 SARASOTA,FL 34234	NONE	RELIGIOUS	PROGRAM SUPPORT	5,000
WASECA HIGH SCHOOL 501 E ELM AVE WASECA,MN 56093	NONE	EDUCATIONAL	PROGRAM SUPPORT - BLUE JAYS MARCHING BAND	500
MINNESOTA ZOO FOUNDATION 13000 ZOO BLVD APPLE VALLEY,MN 55124	NONE	CULTURAL	PROGRAM SUPPORT	6,000
SCIENCE MUSUEM OF MINNESOTA 120 W KELLOGG BLVD ST PAUL,MN 55102	NONE	CULTURAL	PROGRAM SUPPORT	2,000
MOUNDS PARK ACADEMY 2051 LARPENTEUR AVENUE EAST MAPLEWOOD,MN 55109	NONE	EDUCATIONAL	PROGRAM SUPPORT	7,000
SKIDMORE COLLEGE 815 NORTH BROADWAY SARATOGA SPRINGS,NY 12866	NONE	EDUCATIONL	PROGRAM SUPPORT	2,250
PHILIP A BRYANT MELANOMA FOUNDATION 550 MONTGOMERY STREET EIGTH FLOOR SAN FRANCISCO,CA 94111	NONE	HEALTH SERVICES	PROGRAM SUPPORT	500
OAKLAND CEMETARY 927 JACKSON STREET ST PAUL,MN 55117	NONE	HEALTH SERVICES	PROGRAM SUPPORT	1,500
WAYZATA COMMUNITY CHURCH 125 WAYZATA BLVD EAST WAYZATA,MN 55391	NONE	RELIGIOUS	PROGRAM SUPPORT	5,250
FIRST UNITED METHODIST CHURCH 212 3RD STREET NORTH ST PETERSBURG,FL 33701	NONE	RELIGIOUS	PROGRAM SUPPORT	500
WASECA COUNTY HUMANE SOCIETY 101 JAMES AVE ALBERT LEA,MN 56007	NONE	SOCIAL SERVICES	PROGRAM SUPPORT	250
Total . . . . . ▶ **3a**				59,800

Form 990PF Part XV Line 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*				
WASECA MN FOOD SHELF 113 2ND AVE NW WASECA,MN 56093	NONE	SOCIAL SERVICES	PROGRAM SUPPORT	300
THE RETREAT 1221 WAYZATA BLVD EAST WAYZATA,MN 55391	NONE	SOCIAL SERVICES	PROGRAM SUPPORT	1,250
ORDWAY 345 WASHINGTON STREET ST PAUL,MN 55102	NONE	CULTURAL	PROGRAM SUPPORT	400
SACRED HEART SCHOOL 4050 HUBBARD AVE N ROBBINSDALE,MN 55422	NONE	EDUCATIONAL	PROGRAM SUPPORT	500
FOOD ALLERGY RESEARCH & EDUCATION 7925 JONES BRANCH DRIVE SUITE 1100 MCLEAN,VA 22102	NONE	PUBLIC CHARITY	PROGRAM SUPPORT	500
ST PAUL MAGIC 2044 S ROBERT ST WEST ST PAUL,MN 55118	NONE	SOCIAL SERVICES	PROGRAM SUPPORT	400
THE WILDER FOUNDATION 451 LEXINGTON PKWY N ST PAUL,MN 55104	NONE	SOCIAL SERVICES	PROGRAM SUPPORT	500
Total . . . . . ▶ **3a**				59,800

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TY 2014 Accounting Fees Schedule

Name: SALEM FOUNDATION INC

EIN: 41-6058845

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	5,130	2,565		2,565

TY 2014 Investments Corporate Stock Schedule

Name: SALEM FOUNDATION INC

EIN: 41-6058845

Name of Stock	End of Year Book Value	End of Year Fair Market Value
ALERIAN MLP - 2000 SHS	0	0
CENTURYLINK INC - 1,000 SH	0	0
CLEARBRIDGE EQUITY INCOME - 4644.684	11,437	18,732
EATON VANCE TAX ADVANTAGED DIVIDEND INCOME FUND	87,144	79,040
MS EMERGING MKTS DOMESTIC DEBT	0	0
SEADRILL LTD - 1900 SH	31,286	10,746
VODAFONE GP PLC ADS	0	0
WESTERN ASSET HIGH INCOME FD II INC - 3,000 SHS	0	0
FIRST EAGLE GLOBAL FUND CLASS C	103,682	96,328
FRANKLIN INCOME FUND CLASS A	69,106	66,004
GUGGENHEIM MACRO OPPORT C	102,418	101,855
LOOMIS SAYLES STRAT INC A	111,972	133,461
LOOMIS SAYLES STRAT INC C	19,509	19,338
PIMCO ALL ASSET FUND CL C	0	0
THORNBURG INVESTMENT INCOME BUILDER FD CL C	212,821	238,931
ARROW DOW JONES GLOBAL YIELD	26,741	23,870
CENTER COAST MLP FOCUS C	40,318	38,427
CITIGROUP INC	40,743	39,870
CLEARBRIDGE AGGRESSIVE GWTH A	46,375	45,403
EATON VANCE TAX MGD DIV DQU FD	54,609	49,348
NEUBERGER BERMAN MLP INC FND	37,811	30,800

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TY 2014 Investments - Other Schedule

Name: SALEM FOUNDATION INC

EIN: 41-6058845

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
ECA MARCELLUS TRUST I - 1,500 SH	AT COST	0	0
KKR & CO LP - 2,000 SH	AT COST	16,803	23,210
ATLAS PIPELINE PTNRS LP	AT COST	35,002	27,260
BLACKSTONE GROUP LP	AT COST	33,628	33,830
HI-CRUSH PARTNERS LP	AT COST	27,843	15,515

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TY 2014 Other Expenses Schedule

Name: SALEM FOUNDATION INC

EIN: 41-6058845

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
MINNESOTA ATTORNEY GENERAL - FILING FEE	25	0		25
ECA MARCELLUS LP - K-1 PORTFOLIO DEDUCTIONS	0	66		0
BLACKSTONE GROUP - K-1 INV INT EXP	0	1		0
BLACKSTONE GROUP - K-1 PORTFOLIO DEDUCTIONS	0	9		0

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TY 2014 Other Income Schedule

Name: SALEM FOUNDATION INC

EIN: 41-6058845

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
BLACKSTONE GROUP - SCH K-1 OTHER INCOME		3	
ECA MARCELLUS LP - SCH K-1 ROYALTY		318	
ATLAS PIPELINE SCH K-1 - OTHER INCOME		123	
BLACKSTONE GROUP - SCH K-1 NET ROYALTIES		6	
PARTNERSHIP DISTRIBUTION	1,115	1,115	1,115
CASH DISTRIBTUIONS	2,413	2,413	2,413

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TY 2014 Other Professional Fees Schedule

Name: SALEM FOUNDATION INC

EIN: 41-6058845

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
SERVICE FEES	15	15		0

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TY 2014 Taxes Schedule

Name: SALEM FOUNDATION INC

EIN: 41-6058845

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ESTIMATED EXCISE TAX PAID - CURRENT YEAR	999	0		0