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Form **990-PF****Return of Private Foundation**
or Section 4947(a)(1) Trust Treated as Private Foundation

OMB No 1545-0052

2014Department of the Treasury
Internal Revenue Service► 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.

Open to Public Inspection

For calendar year 2014 or tax year beginning **07/01/14**, and ending **06/30/15**

<p>Name of foundation MABEL E. SHERMAN EDUCATIONAL FUND C/O CITIZENS FIRST NATIONAL BANK</p> <p>Number and street (or P O box number if mail is not delivered to street address) PO BOX 1227</p> <p>City or town, state or province, country, and ZIP or foreign postal code STORM LAKE IA 50588</p> <p>G Check all that apply</p> <p><input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change</p> <p>H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation</p> <p>I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 7,467,136 (Part I, column (d) must be on cash basis)</p>		<p>A Employer identification number 42-6278859</p> <p>B Telephone number (see instructions) 712-732-5440</p> <p>C If exemption application is pending, check here ► <input type="checkbox"/></p> <p>D 1 Foreign organizations, check here ► <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation ► <input type="checkbox"/></p> <p>E If private foundation status was terminated under section 507(b)(1)(A), check here ► <input type="checkbox"/></p> <p>F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► <input checked="" type="checkbox"/></p>																																																																																																																																																																																																				
		<p>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))</p> <table border="1"> <thead> <tr> <th></th> <th>(a) Revenue and expenses per books</th> <th>(b) Net investment income</th> <th>(c) Adjusted net income</th> <th>(d) Disbursements for charitable purposes (cash basis only)</th> </tr> </thead> <tbody> <tr> <td>1 Contributions, gifts, grants, etc., received (attach schedule)</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>3 Interest on savings and temporary cash investments</td> <td>56,392</td> <td>56,392</td> <td>56,392</td> <td></td> </tr> <tr> <td>4 Dividends and interest from securities</td> <td>17,277</td> <td>17,277</td> <td>17,277</td> <td></td> </tr> <tr> <td>5a Gross rents</td> <td>87,666</td> <td>87,666</td> <td>87,666</td> <td></td> </tr> <tr> <td>b Net rental income or (loss) 87,306</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>6a Net gain or (loss) from sale of assets not on line 10 STMT 1</td> <td>3,998,928</td> <td></td> <td></td> <td></td> </tr> <tr> <td>b Gross sales price for all assets on line 6a 4,621,901</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>7 Capital gain net income (from Part IV, line 2) RECEIVED</td> <td></td> <td>0</td> <td></td> <td></td> </tr> <tr> <td>8 Net short-term capital gain 0</td> <td></td> <td></td> <td>0</td> <td></td> </tr> <tr> <td>9 Income modifications NOV 10 2015</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>10a Gross sales less returns and allowances RS</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>b Less Cost of goods sold RS</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>c Gross profit or (loss) (attach schedule) RS</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>11 Other income (attach schedule)</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>12 Total. 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For Paperwork Reduction Act Notice, see instructions.

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Form **990-PF** (2014)

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Part II	Balance Sheets	Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
	1 Cash – non-interest-bearing				
	2 Savings and temporary cash investments		209,949	573,994	573,994
	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 (att schedule) ► SEE WRK	2,642,591	0	2,528,782	2,642,591
	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)	STMT 7		181,329	4,345,183
	b Investments – corporate stock (attach schedule)				
	c Investments – corporate bonds (attach schedule)				
	11 Investments – land, buildings, and equipment basis ►			569,731	
	Less accumulated depreciation (attach sch) ► STMT 8				
	12 Investments – mortgage loans				
	13 Investments – other (attach schedule)				
	14 Land, buildings, and equipment basis ►				
	Less accumulated depreciation (attach sch) ►				
	15 Other assets (describe ► SEE STATEMENT 9)		4,000	4,000	24,000
	16 Total assets (to be completed by all filers – see the instructions Also, see page 1, item I)		3,493,791	7,565,768	7,467,136
	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 ►)		0	0	
	23 Total liabilities (add lines 17 through 22)				
	Foundations that follow SFAS 117, check here ► <input type="checkbox"/>				
	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 ► <input checked="" type="checkbox"/>				
	and complete lines 27 through 31.				
	27 Capital stock, trust principal, or current funds				
	28 Paid-in or capital surplus, or land, bldg , and equipment fund				
	29 Retained earnings, accumulated income, endowment, or other funds		3,493,791	7,565,768	
	30 Total net assets or fund balances (see instructions)		3,493,791	7,565,768	
	31 Total liabilities and net assets/fund balances (see instructions)		3,493,791	7,565,768	

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	3,493,791
2 Enter amount from Part I, line 27a	2	3,948,857
3 Other increases not included in line 2 (itemize) ► SEE STATEMENT 10	3	123,120
4 Add lines 1, 2, and 3	4	7,565,768
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	7,565,768

Form 990-PF (2014) MABEL E. SHERMAN EDUCATIONAL FUND

42-6278859

Page 3

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 N/A					
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					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) 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					
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		
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

N/A

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			
2012			
2011			
2010			
2009			

2 Total of line 1, column (d)

2

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

4 Enter the net value of noncharitable-use assets for 2014 from Part X, line 5

4

5 Multiply line 4 by line 3

5

6 Enter 1% of net investment income (1% of Part I, line 27b)

6

7 Add lines 5 and 6

7

8 Enter qualifying distributions from Part XII, line 4

8

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ► <input checked="" type="checkbox"/> and enter "N/A" on line 1	N/A	1	
	Date of ruling or determination letter 09/10/14 (attach copy of letter if necessary—see instructions)		2	0
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b		3	
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		4	0
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		5	0
3	Add lines 1 and 2			
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			
5	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-			
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		
8	Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8		
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11	Enter the amount of line 10 to be Credited to 2015 estimated tax ►	Refunded	11	

Part VII-A Statements Regarding Activities

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?	Yes	No
1a		X	
1b		X	
1c		X	
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities	X	
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	X	
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	X	
4b		X	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T	X	
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either <ul style="list-style-type: none"> • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? 	X	
7	Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ►		
	IA		
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2014 or the taxable year beginning in 2014 (see instructions for Part XIV)? If "Yes," complete Part XIV	X	
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	X	

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	X	
14	The books are in care of ► CITIZENS FIRST NATIONAL BANK E 5TH & LAKE Located at ► STORM LAKE	Telephone no ► 712-732-5440	IA	ZIP+4 ► 50588
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		► <input type="checkbox"/>
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? 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 ►	16	Yes	No X

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		Yes	No
1a	During the year did the foundation (either directly or indirectly)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A	► <input type="checkbox"/>
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?	N/A	
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? If "Yes," list the years ► 20 , 20 , 20 , 20	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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)	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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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)	N/A	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		
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?	4a	<input checked="" type="checkbox"/>
		4b	<input checked="" type="checkbox"/>

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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 4945(d)(4)(A)? (see instructions)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A ► <input type="checkbox"/>	5b	
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? If "Yes," attach the statement required by Regulations section 53 4945–5(d)	N/A <input type="checkbox"/> Yes <input type="checkbox"/> No		
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	6b	X
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	7b	
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	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
CITIZENS FIRST NATIONAL BANK E 5TH & LAKE AVE	STORM LAKE IA 50588	TRUSTEE 1.00	7,100 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

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	BUENA VISTA UNIVERSITY	
2	MORNINGSIDE COLLEGE	125,525
3	CORNELL COLLEGE OF IOWA	114,064
4		84,454

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	N/A	
2		
All other program-related investments See instructions		
3		
Total. Add lines 1 through 3		►

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	2,208,993
b	Average of monthly cash balances	1b	391,972
c	Fair market value of all other assets (see instructions)	1c	24,000
d	Total (add lines 1a, b, and c)	1d	2,624,965
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	2,624,965
4	Cash deemed held for charitable activities Enter 1½% of line 3 (for greater amount, see instructions)	4	39,374
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	2,585,591
6	Minimum investment return. Enter 5% of line 5	6	129,280

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	129,280
2a	Tax on investment income for 2014 from Part VI, line 5	2a	
b	Income tax for 2014 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	
3	Distributable amount before adjustments Subtract line 2c from line 1	3	129,280
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	129,280
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	129,280

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes	1a	123,120
a	Expenses, contributions, gifts, etc – total from Part I, column (d), line 26	1b	
b	Program-related investments – total from Part IX-B	2	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	3a	
3	Amounts set aside for specific charitable projects that satisfy the	3b	
a	Suitability test (prior IRS approval required)	4	123,120
b	Cash distribution test (attach the required schedule)	5	0
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	6	123,120
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)		
6	Adjusted qualifying distributions Subtract line 5 from line 4		

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

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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				129,280
2 Undistributed income, if any, as of the end of 2014			358,956	
a Enter amount for 2013 only				
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				
4 Qualifying distributions for 2014 from Part XII, line 4 ► \$ 123,120			123,120	
a Applied to 2013, but not more than line 2a				
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				
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				
b Prior years' undistributed income Subtract line 4b from line 2b				
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			235,836	
f Undistributed income for 2014 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2015				129,280
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				

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

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

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

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

SEE STATEMENT 13 712-732-5440

PO BOX 1227 STORM LAKE IA 50588

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

SEE STATEMENT 11

- c** Any submission deadlines
NONE

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

Any restrictions or limitations on factors

Part XV` Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	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
Name and address (home or business)				
a Paid during the year				
BUENA VISTA UNIV 610 W 4TH ST STORM LAKE IA 50588		PUBLIC	STUDENT LOANS	49,248
CORNELL COLLEGE 600 1ST ST SW MT VERNON IA 52314		PUBLIC	STUDENT LOANS	24,624
MORNINGSIDE COLLEGE 1501 MORNINGSIDE AVE SIOUX CITY IA 51102		PUBLIC	STUDENT LOANS	49,248
Total			► 3a	123,120
b Approved for future payment				
N/A				
Total			► 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (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	56,392	
4	Dividends and interest from securities			14	17,277	
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			16	87,306	
7	Other investment income					
8	Gain or (loss) from sales of assets other than inventory					3,998,928
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		160,975	3,998,928
13	Total Add line 12, columns (b), (d), and (e)					4,159,903

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

Part XVI-B Relationship of Act

Part XVI-B Relationship of Activities to

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)
N/A	

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

- 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
 - (2) Other assets
 - b Other transactions
 - (1) Sales of assets to a noncharitable exempt organization
 - (2) Purchases of assets from a noncharitable exempt organization
 - (3) Rental of facilities, equipment, or other assets
 - (4) Reimbursement arrangements
 - (5) Loans or loan guarantees
 - (6) Performance of services or membership or fundraising solicitations
 - c Sharing of facilities, equipment, mailing lists, other assets, or paid employees
 - 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
N/A			

- 2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

Yes No

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

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

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

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

Sign
Here

The Citizens First National Bank
Trusts of Mahel Sherman Trust

Signature of officer or trustee

Date

Preparer's signature:

1

Check if
self-employed

Paid
Preparer
Use Only

Print/Type preparer's name

STEVEN PETERS

BTIN P00032378

Firm's name ► ROSENE, PICKHINKE, PETERS & CO. P.C.
Firm's address ► P.O. BOX 1333
STORM LAKE, IA 50588

FIN 43-1263144

Phone no. 712-732-1419

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Whom Sold	Date Acquired	Date Sold	Description		Sale Price	Cost	Expense	Depreciation	Net Gain / Loss
			How Received						
FARMLAND SALE	VARIOUS	12/03/14	\$ 4,621,000	\$ 575,083	\$ 53,603	\$ 5,713	\$ 3,998,027		
MICROSOFT CORP			\$ 901						901
TOTAL			\$ 4,621,901	\$ 575,083	\$ 53,603	\$ 5,713	\$ 3,998,928		

Statement 2 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment		Adjusted Net	Charitable Purpose
		\$	\$		
LEGAL FEES	\$ 2,754			\$ 0	
TOTAL	\$ 2,754			\$ 0	0

Statement 3 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment		Adjusted Net	Charitable Purpose
		\$	\$		
ACCOUNTING FEES	\$ 1,450			\$ 0	
TOTAL	\$ 1,450			\$ 0	0

Statement 4 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
MANAGEMENT FEE	\$ 16,353	\$ 16,353	\$ 0	\$ 0
TOTAL	\$ 16,353	\$ 16,353	\$ 0	\$ 0

Statement 5 - Form 990-PF, Part I, Line 19 - Depreciation

Description	Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
TILING								
10/16/08	\$ 12,192	\$ 5,353	150DB		15	\$ 360	\$ 360	\$ 360
631 ACRES IDA CO FARMLAND								
1/01/85	\$ 562,891	0						
TOTAL	\$ 575,083	\$ 5,353				\$ 360	\$ 360	\$ 360

Statement 6 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
EXPENSES				
LOAN ADMINISTRATION EXP	35,016			
APPRaisal, SURVEY, ABSTRACT C	500			
WRITE OFF	2,636			
ACCrued interest EXPENSE	6,555			
TOTAL	\$ 44,707	\$ 0	\$ 0	\$ 0

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Statement 7 - Form 990-PF, Part II, Line 10a - US and State Government Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
INVESTMENTS	\$ 181,329	\$ 4,345,183	COST	\$ 4,226,551
TOTAL	\$ 181,329	\$ 4,345,183		\$ 4,226,551

Statement 8 - Form 990-PF, Part II, Line 11 - Land, Building, and Equipment Investments

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
LAND	\$ 562,891	\$ 0	\$ 0	\$ 0
LAND IMPROVEMENTS	6,840	0	0	0
TOTAL	\$ 569,731	\$ 0	\$ 0	\$ 0

Statement 9 - Form 990-PF, Part II, Line 15 - Other Assets

Description	Beginning of Year	End of Year	Fair Market Value
MINERAL RIGHTS	\$ 4,000	\$ 4,000	\$ 24,000
TOTAL	\$ 4,000	\$ 4,000	\$ 24,000

Statement 10 - Form 990-PF, Part III, Line 3 - Other Increases

Description	Amount
GRANTS PAID TO COLLEGES	\$ 123,120
TOTAL	\$ 123,120

Form 990-PF, Part XV, Line 1a - Managers Who Contributed Over 2% or \$5,000

Name of Manager	Amount
NONE	\$
TOTAL	\$ 0

Form 990-PF, Part XV, Line 1b - Managers Who Own 10% or More Stock

Name of Manager	Amount
NONE	\$
TOTAL	\$ 0

Statement 11 - Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description
LOAN APPLICATION FORMS ARE AVAILABLE AT GRANTEE EDUCATIONAL INSTITUTIONS

Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description
NONE

Statement 12 - Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description
THE MABEL E. SHERMAN EDUCATIONAL FUND MAKES AVAILABLE ITS ANNUAL NET INCOME TO THE FOLLOWING AREA COLLEGES FOR PURPOSES OF LOANING TO STUDENTS SELECTED BY SAID COLLEGES:
MORNINGSIDE COLLEGE SIOUX CITY, IOWA 51106
CORNELL COLLEGE
BUENA VISTA UNIVERSITY STORM LAKE, IOWA 50588

Statement 12 - Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations
(continued)**Description**

MT. VERNON, IOWA 52314
ALL LOANS ARE EVIDENCED BY PROMISSORY NOTES PAYABLE TO THE MABEL E. SHERMAN EDUCATIONAL FUND. DUE DATES OF THESE NOTES ARE NOT TO EXCEED TEN YEARS FROM THE DATE THE LOAN WAS MADE. SAID NOTES DO NOT BEAR INTEREST UNTIL DUE AT WHICH TIME THEY BEAR INTEREST AT THE RATE SET BY THE INSTITUTION THAT SHALL NOT EXCEED THE MAXIMUM RATE OF INTEREST ALLOWED UNDER IOWA LAW.
IN AWARDING LOANS, THE AFOREMENTIONED COLLEGES ARE TO SELECT RECIPIENTS IN A WISE AND PROPER MANNER, WITH PREFERENCE GIVEN TO STUDENTS WHO RESIDE IN IDA COUNTY AND CHEROKEE COUNTY, IOWA. IF AVAILABLE FUNDS ARE NOT EXHAUSTED BY SUCH LOANS, THE COLLEGES MAY CONSIDER STUDENTS RESIDING IN OTHER IOWA COUNTIES.
THE FUNDS ARE DISTRIBUTED TO STUDENTS ONLY IF OTHER MEANS OF FINANCIAL AID ARE INSUFFICIENT TO MEET THE NEED OF THE PARTICULAR STUDENT. NONE OF THE COLLEGES REQUIRE ANY ADDITIONAL MATERIAL OR INFORMATION THAT IS NOT ALREADY REQUIRED FOR OTHER MEANS OF FINANCIAL AID.
FOR FURTHER INFORMATION REGARDING TIME AND FORM OF APPLICATION FOR THESE LOANS, CONTACT THE FINANCIAL AID OFFICES OF THE AFOREMENTIONED COLLEGES.