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

2015

Open to Public Inspection

For calendar year 2015 or tax year beginning , and ending

Name of foundation PROSPECT CREEK FOUNDATION	A Employer identification number 41-1736420
Number and street (or P O box number if mail is not delivered to street address) Room/suite 4900 IDS CENTER 80 SOUTH 8TH STREET	B Telephone number 612-672-9603
City or town, state or province, country, and ZIP or foreign postal code MINNEAPOLIS, MN 55402	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 [X] 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)* ▶$ 36,890,747. J Accounting method: ☐ Cash [X] 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))

		(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	2,000,000.			
	2 Check ▶ ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	78,282.	78,282.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	3,613,223.			
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		3,613,223.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income	-16,429,940.	211,639.	0.	STATEMENT 2
	12 **Total.** Add lines 1 through 11	-10,738,435.	3,903,144.	0.	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.	0.	0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees STMT 3	60,000.	0.	0.	60,000.
	b Accounting fees STMT 4	13,039.	0.	0.	13,039.
	c Other professional fees STMT 5	43,655.	43,655.	0.	0.
	17 Interest				
	18 Taxes STMT 6	33,025.	0.	0.	25.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 7	2,070.	0.	0.	2,070.
	24 **Total operating and administrative expenses** Add lines 13 through 23	151,789.	43,655.	0.	75,134.
	25 Contributions, gifts, grants paid	7,449,804.			7,449,804.
	26 **Total expenses and disbursements.** Add lines 24 and 25	7,601,593.	43,655.	0.	7,524,938.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	-18,340,028.			
	b **Net investment income** (if negative, enter -0-)		3,859,489.		
	c **Adjusted net income** (if negative, enter -0-)			0.	

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11-24-15 LHA For Paperwork Reduction Act Notice, see instructions.

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19371109 131839 053-02190400 2015.04030 PROSPECT CREEK FOUNDATION 053-07U1

Part II Balance Sheets (Attached schedules and amounts in the description column should be for end-of-year amounts only)		Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	21,974.	4,385.	4,385.
	2 Savings and temporary cash investments	3,820,136.	4,607,358.	4,607,358.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations STMT 8	8,399,753.	2,998,374.	2,997,556.
	b Investments - corporate stock STMT 9	1,780,089.	2,107,149.	3,522,755.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 10	39,794,039.	25,758,697.	25,758,693.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers - see the instructions. Also, see page 1, item I)	53,815,991.	35,475,963.	36,890,747.
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			
	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 ▶ [X] and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	53,815,991.	35,475,963.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	0.	0.	
	30 **Total net assets or fund balances**	53,815,991.	35,475,963.	
	31 **Total liabilities and net assets/fund balances**	53,815,991.	35,475,963.	

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	53,815,991.
2 Enter amount from Part I, line 27a	2	-18,340,028.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	35,475,963.
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	35,475,963.

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a				
b	SEE ATTACHED STATEMENT			
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				3,613,223.

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

	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a				
b				
c				
d				
e				3,613,223.

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** 3,613,223.

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

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

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

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2014	2,951,687.	55,121,956.	.053548
2013	2,782,667.	48,515,282.	.057357
2012	1,813,117.	44,145,897.	.041071
2011	2,441,443.	44,022,431.	.055459
2010	1,839,557.	42,605,134.	.043177

2	**Total** of line 1, column (d)	2	.250612
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	.050122
4	Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	39,240,276.
5	Multiply line 4 by line 3	5	1,966,801.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	38,595.
7	Add lines 5 and 6	7	2,005,396.
8	Enter qualifying distributions from Part XII, line 4	8	7,524,938.

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	38,595.
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	38,595.
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	38,595.
6	Credits/Payments:				
a	2015 estimated tax payments and 2014 overpayment credited to 2015	6a	68,260.		
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	68,260.
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	29,665.
11	Enter the amount of line 10 to be: **Credited to 2016 estimated tax** ▶ 29,665. **Refunded** ▶			11	0.

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)?	1b		X
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation. ▶ $ 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		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	X	
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) ▶ 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	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 2015 or the taxable year beginning in 2015 (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

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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 ▶ N/A

14 The books are in care of ▶ JULIE PIRAS Telephone no. ▶ 612-672-9603
Located at ▶ 4900 IDS CENTER, MINNEAPOLIS, MN ZIP+4 ▶ 55402

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 N/A

			Yes	No
16	At any time during calendar year 2015, 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. 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)?	N/A	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 2015?		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 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015?	☐ Yes ☒ No			
	If "Yes," list the years ▶ ________, ________, ________, ________				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.)	N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ ________, ________, ________, ________				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2015 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 2015.)*	N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2015?		4b		X

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

		Yes	No
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 [X] 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 [X] No			
(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes [X] No			
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions) ☐ Yes [X] 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 [X] No			
b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? N/A	5b		
Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ Yes ☐ No			
If "Yes," attach the statement required by Regulations section 53.4945-5(d).			
6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes [X] 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 [X] No			
b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? N/A	7b		

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
MARTHA CLARK ATWATER 636 FERNDALE AVENUE WAYZATA, MN 55391	DIRECTOR 0.00	0.	0.	0.
H B ATWATER, JR 636 FERNDALE AVENUE WAYZATA, MN 55391	DIRECTOR 0.00	0.	0.	0.
ELIZABETH ATWATER CONNOLLY 2010 JAMES AVENUE SOUTH MINNEAPOLIS, MN 55405	DIRECTOR 0.00	0.	0.	0.

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

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

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

Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** *(continued)*

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
JOHN CAIRNS CONSULTING, INC 2751 HENNEPIN AVE , MINNEAPOLIS, MN 55408	LEGAL/CONSULTING	60,000.
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 NONE	0.
2	
3	
4	

Part IX-B **Summary of Program-Related Investments**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 NONE	0.
2	
All other program-related investments. See instructions. 3 NONE	0.
Total. Add lines 1 through 3 ▶	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:			
a	Average monthly fair market value of securities		1a	9,449,137.
b	Average of monthly cash balances		1b	4,630,014.
c	Fair market value of all other assets		1c	25,758,693.
d	**Total** (add lines 1a, b, and c)		1d	39,837,844.
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	39,837,844.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	597,568.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	39,240,276.
6	**Minimum investment return.** Enter 5% of line 5		6	1,962,014.

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	1,962,014.
2a	Tax on investment income for 2015 from Part VI, line 5	2a 38,595.		
b	Income tax for 2015. (This does not include the tax from Part VI.)	2b		
c	Add lines 2a and 2b		2c	38,595.
3	Distributable amount before adjustments. Subtract line 2c from line 1		3	1,923,419.
4	Recoveries of amounts treated as qualifying distributions		4	0.
5	Add lines 3 and 4		5	1,923,419.
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	1,923,419.

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	7,524,938.
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	7,524,938.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	38,595.
6	**Adjusted qualifying distributions** Subtract line 5 from line 4	6	7,486,343.

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 2014	(c) 2014	(d) 2015
1 Distributable amount for 2015 from Part XI, line 7				1,923,419.
2 Undistributed income, if any, as of the end of 2015				
a Enter amount for 2014 only			1,284,747.	
b Total for prior years: ______ , ______ , ______		0.		
3 Excess distributions carryover, if any, to 2015:				
a From 2010				
b From 2011				
c From 2012				
d From 2013				
e From 2014				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2015 from Part XII, line 4: ▶ $ 7,524,938.				
a Applied to 2014, but not more than line 2a			1,284,747.	
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 2015 distributable amount				1,923,419.
e Remaining amount distributed out of corpus	4,316,772.			
5 Excess distributions carryover applied to 2015 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	4,316,772.			
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 2014. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2015. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2016				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 2010 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2016** Subtract lines 7 and 8 from line 6a	4,316,772.			
10 Analysis of line 9:				
a Excess from 2011				
b Excess from 2012				
c Excess from 2013				
d Excess from 2014				
e Excess from 2015 4,316,772.				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2015, 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) 2015	(b) 2014	(c) 2013	(d) 2012	(e) Total
2 a 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 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).)

H B ATWATER, JR

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:

MARTHA C. ATWATER, 612-672-9603
636 FERNDALE AVENUE, WAYZATA, MN 55391

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

IN WRITING WITH SUPPORTING MATERIALS INDICATING CHARITABLE PURPOSE

c Any submission deadlines:

N/A

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

N/A

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				
ABBOT NORTHWESTERN HOSPITAL 800 EAST 28TH STREET MINNEAPOLIS, MN 55407		PC	OPERATIONAL	5,000.
AMERICAN MUSEUM OF NATURAL HISTORY CENTRAL PARK WEST AT 79TH STREET NEW YORK, NY 10024		PC	OPERATIONAL	500.
AVALON CHARTER SCHOOL 700 GLENDALE STREET ST. PAUL, MN 55102		PC	OPERATIONAL	108,500.
BERKELEY REPERTORY THEATER 999 HARRISON STREET BERKELEY, CA 94710		PC	OPERATIONAL	50,000.
BREAKTHROUGH COLLABORATIVE 545 SANSOME STREET, SUITE 700 SAN FRANCISCO, CA 94111		PC	OPERATIONAL	5,000.
Total SEE CONTINUATION SHEET(S)			▶ 3a	7,449,804.
b Approved for future payment NONE				
Total			▶ 3b	0.

Part XVI-A **Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(d) Amount	(e) Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	78,282.	
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	900099	128,158.	14	-16,558,098.	
8 Gain or (loss) from sales of assets other than inventory			18	3,613,223.	
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)		128,158.		-12,866,593.	0.

13 Total Add line 12, columns (b), (d), and (e) 13 -12,738,435.

(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).

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
		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		

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

Signature of officer or trustee: [signature] Date: 11/15/16 Title: DIRECTOR

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
TERRANCE O'REILLY	[signature]	11-10-16		P00068340

Firm's name ▶ CLIFTONLARSONALLEN LLP — Firm's EIN ▶ 41-0746749

Firm's address ▶ 220 SOUTH SIXTH STREET, SUITE 300 MINNEAPOLIS, MN 55402 — Phone no. 612-376-4500

Form **990-PF** (2015)

523622 11-24-15

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	PUBLICLY TRADED SECURITY			
b	PUBLICLY TRADED SECURITY			
c	BAUPOST VALUE LP - I			
d	FARALLON CAPITAL PARTERNS, L.P.			
e	PRIME-SCRC LP			
f	VALUEACT CAPITAL PARTNERS II, L.P.			
g	SPO PARTNERS II, L.P.			
h	MARATHON FUND LIMITED PARTNERSHIP V			
i	HCP WPPE X INVESTORS, LLC			
j				
k				
l				
m				
n				
o				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				423,194.
b				-2,704.
c				334,886.
d				-4,038.
e				32.
f				193,002.
g				2,281,307.
h				51,504.
i				336,040.
j				
k				
l				
m				
n				
o				

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

	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a				423,194.
b				-2,704.
c				334,886.
d				-4,038.
e				32.
f				193,002.
g				2,281,307.
h				51,504.
i				336,040.
j				
k				
l				
m				
n				
o				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7; If (loss), enter "-0-" in Part I, line 7 }	2	3,613,223.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8	3	N/A

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04-01-15

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
CALIFORNIA STATE PARKS FOUNDATION 50 FRANCISCO STREET, SUITE 110 SAN FRANCISCO, CA 94133		PC	OPERATIONAL	1,000.
CAMEO CINEMA 1340 MAIN STREET ST. HELENA, CA 94574		PC	OPERATIONAL	2,000.
CARMEL AUTHORS & IDEAS FESTIVAL PO BOX 2424 CARMEL, CA 93921		PC	OPERATIONAL	1,000.
CHILDREN'S THEATRE COMPANY 2400 3RD AVENUE SOUTH, MINNEAPOLIS, MN 55404 MINNEAPOLIS, CA 55404		PC	OPERATIONAL	3,000.
CLINIC OLE 1141 PEAR TREE LANE, SUITE 260, NAPA, CA 94558 NAPA, CA 94558		PC	OPERATIONAL	10,000.
COLLEGE POSSIBLE 540 FAIRVIEW AVENUE ST. PAUL, MN 55104		PC	OPERATIONAL	2,000.
DAWN REDWOODS CHARITABLE TRUST 1 BLACKFIELD DRIVE, #331 TIBURON, CA 94920		PC	OPERATIONAL	1,000.
EVANS SCHOLARS FOUNDATION 721 UNIVERSITY PLACE EVANSTON, IL 60201		PC	OPERATIONAL	500.
FINE ARTS MUSEUM OF SAN FRANCISCO 233 POST STREET SAN FRANCISCO, CA 94108		PC	OPERATIONAL	10,000.
GALAPAGOS CONSERVANCY 11150 FAIRFAX BLVD., SUITE 408 FAIRFAX, VA 22040		PC	OPERATIONAL	500.
Total from continuation sheets				7,280,804.

523631
04-01-15

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
GENTRY COUNTY SOIL & WATER CONSERVATION 512 EAST HIGHWAY 136 ALBANY, MO 64402		PC	OPERATIONAL	500.
GRAYWOLF PRESS 2402 UNIVERSITY AVE, SUITE 203 ST. PAUL, MN 55114		PC	OPERATIONAL	2,500.
GREATER MINNEAPOLIS CRISIS NURSERY 5400 GLENWOOD AVENUE MINNEAPOLIS, MN 55422		PC	OPERATIONAL	1,000.
GUTHRIE THEATER 818 2ND STREET SO MINNEAPOLIS, MN 55415		PC	OPERATIONAL	400,000.
HABITAT FOR HUMANITY 3001 4TH STREET SE MINNEAPOLIS, MN 55414		PC	OPERATIONAL	2,000.
HOOVER INSTITUTION STANFORD UNIVERSITY, 326 GALVEZ STREET STANFORD, CA 94305		PC	OPERATIONAL	10,000.
INTERFAITH OUTREACH 110 GRAND AVENUE SOUTH WAYZATA, MN 55391		PC	OPERATIONAL	2,000.
KIPP STAND ACADEMY 5034 OLIVER AVENUE NORTH MINNEAPOLIS, MN 55430		PC	OPERATIONAL	56,000.
LAW CENTER TO PREVENT GUN VIOLENCE 268 BUSH STREET, #555 SAN FRANCISCO, CA 94104		PC	OPERATIONAL	5,000.
LUTHERAN SOCIAL SERVICE 2485 COMO AVENUE ST. PAUL, MN 55108		PC	OPERATIONAL	2,000.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
MENTORING PARTNERSHIP OF MINNESOTA 81 SOUTH 9TH STREET, SUITE 200 MINNEAPOLIS, MN 55402		PC	OPERATIONAL	1,500.
MINNEAPOLIS INSTITUTE OF ARTS 2400 3RD AVENUE SOUTH MINNEAPOLIS, MN 55404		PC	OPERATIONAL	21,700.
MINNEAPOLIS PARKS FOUNDATION 4800 MINNEHAHA AVENUE SOUTH MINNEAPOLIS, MN 55417		PC	OPERATIONAL	2,500.
MINNESOTA CHILDREN'S MUSEUM 10 WEST SEVENTH STREET ST. PAUL, MN 55102		PC	OPERATIONAL	1,500.
MINNESOTA HISTORICAL SOCIETY 345 WEST KELLOGG BLVD ST. PAUL, MN 55102		PC	OPERATIONAL	2,500.
MINNESOTA LAND TRUST 2356 UNIVERSITY AVENUE WEST, SUITE 240 ST. PAUL, MN 55114		PC	OPERATIONAL	1,000.
MINNESOTA LANDSCAPE ARBORETUM 3675 ARBORETUM DRIVE CHASKA, MN 55318		PC	OPERATIONAL	3,000.
MINNESOTA OPERA 620 NORTH 1ST ST MINNEAPOLIS, MN 55401		PC	OPERATIONAL	5,000.
MINNESOTA ORCHESTRA 1111 NICOLLET MALL MINNEAPOLIS, MN 55403		PC	OPERATIONAL	15,000.
MINNESOTA PUBLIC RADIO 480 CEDAR STREET ST. PAUL, MN 55101		PC	OPERATIONAL	4,000.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
MINNESOTA YOUTH SYMPHONIES 790 CLEVELAND AVENUE ST. PAUL, MN 55116		PC	OPERATIONAL	1,000.
MINNESOTA ZOO 13000 ZOO BLVD APPLE VALLEY, MN 55124		PC	OPERATIONAL	2,000.
MINNETONKA CENTER FOR THE ARTS 2240 NORTH SHORE DRIVE WAYZATA, MN 55391		PC	OPERATIONAL	2,000.
MIXED BLOOD THEATRE 1501 SOUTH FOURTH STREET MINNEAPOLIS, MN 55454		PC	OPERATIONAL	1,000.
MOMA 11 WEST 53RD STREET NEW YORK, NY 10019		PC	OPERATIONAL	1,000.
NAPA LEARNS 2121 IMOLA AVENUE NAPA, CA 94559		PC	OPERATIONAL	40,000.
NAPA VALLEY VINE TRAIL COALITION PO BOX 93, ST. HELENA ST. HELENA, CA 94574		PC	OPERATIONAL	1,000.
NEW CITY SCHOOL 229 13TH AVENUE NE MINNEAPOLIS, MN 55413		PC	OPERATIONAL	190,000.
NORTHERN CLAY CENTER 2424 FRANKLIN AVENUE EAST MINNEAPOLIS, MN 55405		PC	OPERATIONAL	2,000.
ORDWAY CENTER FOR PERFORMING ARTS 345 WASHINGTON STREET ST. PAUL, MN 55102		PC	OPERATIONAL	2,000.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
PAGE EDUCATION FOUNDATION PO BOX 581254 MINNEAPOLIS, MN 55458		PC	OPERATIONAL	1,000.
PARKS & TRAILS COUNCIL OF MINNESOTA 275 EAST 4TH STREET ST. PAUL, MN 55101		PC	OPERATIONAL	1,000.
PATHWAYS 3115 HENNEPIN AVENUE SOUTH MINNEAPOLIS, MN 55408		PC	OPERATIONAL	5,000.
PHILANTHROPY ROUNDTABLE 1730 M STREET NW, SUITE 601 WASHINGTON, DC 20036		PC	OPERATIONAL	5,000.
PLANNED PARENTHOOD 1200 LAGOON AVENUE MINNEAPOLIS, MN 55408		PC	OPERATIONAL	5,000.
POMONA 333 NORTH COLLEDGE WAY CLAREMONT, CA 91711		PC	OPERATIONAL	15,000.
PRINCETON UNIVERSITY 200 ELM DRIVE PRINCETON, NJ 08544		PC	OPERATIONAL	45,050.
PROJECT SUCCESS 2124 DUPONT AVE SO MINNEAPOLIS, MN 55405		PC	OPERATIONAL	1,000.
PUBLIC RADIO INTERNATIONAL 401 2ND AVENUE NORTH MINNEAPOLIS, MN 55402		PC	OPERATIONAL	1,500.
RIANDA HOUSE 1475 MAIN STREET ST. HELENA, CA 94574		PC	OPERATIONAL	2,000.
Total from continuation sheets				

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Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
RUTHERFORD VOLUNTEER FIRE DEPARTMENT 1199 BIG TREE ROAD ST. HELENA, CA 94574		PC	OPERATIONAL	500.
SAN FRANCISCO MUSEUM OF MODERN ART 151 THIRD STREET SAN FRANCISCO, CA 94574		PC	OPERATIONAL	202,500.
SAN FRANCISCO OPERA 301 VAN NESS AVENUE SAN FRANCISCO, CA 94102		PC	OPERATIONAL	4,000.
SAVE THE LAKE 18338 MINNETONKA BLVD DEEPHAVEN, MN 55391		PC	OPERATIONAL	1,000.
SCIENCE MUSEUM OF MINNESOTA 120 KELLOGG BLVD ST. PAUL, MN 55102		PC	OPERATIONAL	5,000.
ST. HELENA FARMER'S MARKET PO BOX 70 ST. HELENA, CA 94574		PC	OPERATIONAL	1,000.
ST. HELENA HOSPITAL FOUNDATION 10 WOODLAND ROAD ST. HELENA, CA 94574		PC	OPERATIONAL	25,000.
ST. PAUL CHAMBER ORCHESTRA 408 ST. PETER STREET ST. PAUL, MN 55102		PC	OPERATIONAL	5,000.
STANFORD GRADUATE SCHOOL OF BUSINESS 326 GALVEZ STREET STANFORD, CA 94305		PC	OPERATIONAL	10,000.
STORE TO DOOR 1821 UNIVERSITY AVE WEST, SUITE 112 ST. PAUL, MN 55104		PC	OPERATIONAL	1,000.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
SUMMIT ACADEMY 935 OLSON MEMORIAL HIGHWAY MINNEAPOLIS, MN 55405		PC	OPERATIONAL	152,000.
TEACH FOR AMERICA 401 2ND AVENUE NORTH MINNEAPOLIS, MN 55401		PC	OPERATIONAL	5,000.
TELLURIDE FILM FESTIVAL 800 JONES STREET BERKELEY, CA 94710		PC	OPERATIONAL	6,050.
THE ARTS PARTNERSHIP 345 WASHINGTON STREET ST. PAUL, MN 55102		PC	OPERATIONAL	20,000.
THE BRIDGE 2200 EMERSON AVENUE SO MINNEAPOLIS, MN 55405		PC	OPERATIONAL	1,000.
THE JUNGLE THEATER 2951 LYNDALE AVENUE SOUTH MINNEAPOLIS, MN 55408		PC	OPERATIONAL	1,000.
THE TRUST FOR PUBLIC LAND 2610 UNIVERSITY AVENUE, SUITE 300 ST. PAUL, MN 55114		PC	OPERATIONAL	2,000.
THE WHITE BARN 2727 SULPHUR SPRINGS AVENUE ST. HELENA, CA 94574		PC	OPERATIONAL	1,000.
TWIN CITIES PUBLIC TELEVISION 172 EAST 4TH STREET ST. PAUL, MN 55101		PC	OPERATIONAL	3,000.
UNITED WAY 404 SOUTH 8TH STREET MINNEAPOLIS, MN 55404		PC	OPERATIONAL	35,000.
Total from continuation sheets				

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04-01-15

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
UNITED WORLD COLLEGE PO BOX 248 MONTEZUMA, NM 87731		PC	OPERATIONAL	25,000.
UNIVERSITY OF MINNESOTA 420 DELAWARE STREET SE MINNEAPOLIS, MN 55455		GOV	OPERATIONAL	586,790.
WALKER ART CENTER 1750 HENNEPIN AVENUE MINNEAPOLIS, MN 55403		PC	OPERATIONAL	535,000.
WATCH 608 2ND AVENUE SOUTH MINNEAPOLIS, MN 55402		PC	OPERATIONAL	1,000.
WAYZATA FIRE DEPARTMENT 600 RICE STREET WAYZATA, MN 55391		GOV	OPERATIONAL	500.
WAYZATA HISTORICAL SOCIETY 402 LAKE STREET EAST WAYZATA, MN 55391		PC	OPERATIONAL	500.
WOLF RIDGE ENVIRONMENTAL LEARNING CENTER 6282 CRANBERRY ROAD FINLAND, MN 55603		PC	OPERATIONAL	1,000.
WOMEN VENTURE 2324 UNIVERSITY AVE ST. PAUL, MN 55114		PC	OPERATIONAL	1,000.
YWCA 1130 NICOLLET MALL MINNEAPOLIS, MN 55403		PC	OPERATIONAL	2,000.
MINNEAPOLIS CHESS 807 BROADWAY STREET NE MINNEAPOLIS, MN 55413		PC	OPERATIONAL	2,000.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
UCSF FOUNDATION LOCKBOX 45339 SAN FRANCISCO, CA 94158		GOV	OPERATIONAL	1,962,000.
FRIENDS & FDN ST. HELENA PUBLIC LIBRARY BOX 171 ST. HELENA, CA 94574		PC	OPERATIONAL	2,000.
NAPA POLICE OFFICERS' ASSOCIATION 1539 FIRST STREET NAPA, CA 94559		PC	OPERATIONAL	500.
PHILLIPS EYE INSTITUTE FOUNDATION 2215 PARK AVE S. MINNEAPOLIS, MN 55404		PC	OPERATIONAL	10,000.
ALLIANCE FOR SCHOOL CHOICE 1600 L ST NW #1000 WASHINGTON, DC 20036		PC	OPERATIONAL	5,000.
WOMEN CANDIDATE DEVELOPMENT COALITION 550 RICE STREET ST. PAUL, MN 55103		PC	OPERATIONAL	1,000.
WAY TO GROW 125 W BROADWAY MINNEAPOLIS, MN 55411		PC	OPERATIONAL	1,000.
COLLABORATION FOR ACHIEVEMENT PROJECT 4632 VINCENT AVE S. MINNEAPOLIS, MN 55404		PC	OPERATIONAL	255,000.
THE BLAKE SCHOOL 110 BLAKE ROAD S. HOPKINS, MN 55343		PC	OPERATIONAL	15,000.
THE NATURE CONSERVANCY 1101 WEST RIVER PKWY MINNEAPOLIS, MN 55415		PC	OPERATIONAL	4,000.
Total from continuation sheets				

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04-01-15

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
FRIENDSHIP ACADEMY OF THE ARTS 2600 EAST 38TH ST MINNEAPOLIS, MN 55405		PC	OPERATIONAL	145,000.
NATIONAL PARK FOUNDATION 1110 VERMONT AVE WASHINGTON, DC 20005		PC	OPERATIONAL	500.
CHAMBER MUSIC IN NAPA VALLEY 4375 ATLAS PEAK ROAD NAPA, CA 94558		PC	OPERATIONAL	1,000.
NORTHEAST COLLEGE PREP CHARTER SCHOOL 300 INDUSTRIAL BLVD NE MINNEAPOLIS, MN 55413		PC	SVEN36895 - 04/27/16 01:35PM WORKSHEET PRIVATE FOUNDATION	100,000.
SOLANO-NAPA HABITAT FOR HUMANITY 5130 FULTON DRIVE FAIRFIELD, CA 94534		PC	OPERATIONAL	500.
VALLEY FIRE RELIEF FUND 1133 WASHINGTON ST CALISTOGA, CA 94515		PC	OPERATIONAL	5,000.
TUBMAN 3111 FIRST AVE S. MINNEAPOLIS, MN 55408		PC	OPERATIONAL	1,000.
OREGON HEALTH & SCIENCE UNIVERSITY 3303 SW BOND AVE PORTLAND, OR 97239		PC	OPERATIONAL	2,235,324.
TAFT SCHOOL ANNUAL FUND 110 WOODBURY ROAD WATERTOWN, CT 06795		PC	OPERATIONAL	1,890.
HIGHPOINT CENTER FOR PRINTMAKING 2638 LYNDALE AVE S. MINNEAPOLIS, MN 55408		PC	OPERATIONAL	1,000.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
MARIN ACADEMY 1600 MISSION AVE SAN RAFAEL, CA 94901		PC	OPERATIONAL	2,000.
UPVALLEY FAMILY CENTER 1440 SPRING STREET ST. HELENA, CA 94570		PC	OPERATIONAL	2,000.
NAVY SEAL FOUNDATION 1619 D STREET VIRGINIA BEACH, VA 23459		PC	OPERATIONAL	1,000.
Total from continuation sheets				

523631
04-01-15

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

Schedule of Contributors

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

OMB No 1545-0047

2015

Name of the organization	Employer identification number
PROSPECT CREEK FOUNDATION	41-1736420

Organization type (check one)

Filers of:	Section:
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☐ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	[X] 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

[X] For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling $5,000 or more (in money or property) from any one contributor Complete Parts I and II See instructions for determining a contributor's total contributions

Special Rules

☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II

☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III

☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than $1,000 If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc , purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc , contributions totaling $5,000 or more during the year . . ▶ $ ____________

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

Name of organization	Employer identification number
PROSPECT CREEK FOUNDATION	41-1736420

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

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	H B ATWATER, JR 636 FERNDALE AVENUE WAYZATA, MN 55391	$ 2,000,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
PROSPECT CREEK FOUNDATION	41-1736420

Part II **Noncash Property** (see instructions) Use duplicate copies of Part II if additional space is needed

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

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

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

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

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

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

Name of organization	Employer identification number
PROSPECT CREEK FOUNDATION	41-1736420

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

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
DIVIDENDS	66,850.	0.	66,850.	66,850.	66,850.
INTEREST	26,139.	0.	26,139.	26,139.	26,139.
PURCHASED INTEREST	-14,707.	0.	-14,707.	-14,707.	-14,707.
TO PART I, LINE 4	78,282.	0.	78,282.	78,282.	78,282.

FORM 990-PF OTHER INCOME STATEMENT 2

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
PARTNERSHIP K-1 ACTIVITY	-16,429,940.	211,639.	0.
TOTAL TO FORM 990-PF, PART I, LINE 11	-16,429,940.	211,639.	0.

FORM 990-PF LEGAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PROFESSIONAL FEES	60,000.	0.	0.	60,000.
TO FM 990-PF, PG 1, LN 16A	60,000.	0.	0.	60,000.

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	13,039.	0.	0.	13,039.
TO FORM 990-PF, PG 1, LN 16B	13,039.	0.	0.	13,039.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MANAGEMENT FEES	43,655.	43,655.	0.	0.
TO FORM 990-PF, PG 1, LN 16C	43,655.	43,655.	0.	0.

FORM 990-PF TAXES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FORM 990-PF TAXES	33,000.	0.	0.	0.
MINNESOTA FILING FEE	25.	0.	0.	25.
TO FORM 990-PF, PG 1, LN 18	33,025.	0.	0.	25.

FORM 990-PF OTHER EXPENSES STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
WIRE TRANSFER FEES	411.	0.	0.	411.
MISCELLANEOUS	1,659.	0.	0.	1,659.
TO FORM 990-PF, PG 1, LN 23	2,070.	0.	0.	2,070.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 8

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
SEE STATEMENT	X		2,998,374.	2,997,556.
TOTAL U.S. GOVERNMENT OBLIGATIONS			2,998,374.	2,997,556.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			2,998,374.	2,997,556.

FORM 990-PF CORPORATE STOCK STATEMENT 9

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE STATEMENT	2,107,149.	3,522,755.
TOTAL TO FORM 990-PF, PART II, LINE 10B	2,107,149.	3,522,755.

FORM 990-PF OTHER INVESTMENTS STATEMENT 10

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
PARTNERSHIPS - SEE STATEMENT	COST	25,758,697.	25,758,693.
TOTAL TO FORM 990-PF, PART II, LINE 13		25,758,697.	25,758,693.

Prospect Creek Foundation
Asset Summary - Cost & FMV
at 12/31/2015

	SCHWAB #4346	SCHWAB #5313	McDONALD CAPITAL	CHECKING	PRTNRSHPS	TOTALS
AT COST - 2014						
Cash				21,974		21,974
Money Market	48,238	3,514,002	257,895			3,820,135
Equities			1,780,089			1,780,089
Corporate Bonds			-			-
Government Securities	8,399,753					8,399,753
Other					39,794,039	39,794,039
	8,447,992	3,514,002	2,037,984	21,974	39,794,039	53,815,991
AT COST - 2015						
Cash				4,385		4,385
Money Market	22,913	4,199,852	384,592			4,607,358
Equities			2,107,149			2,107,149
Corporate Bonds			-			-
Government Securities	2,998,374					2,998,374
Other					25,758,693	25,758,693
	3,021,288	4,199,852	2,491,741	4,385	25,758,693	35,475,963
AT FMV - 2015						
Cash				4,385		4,385
Money Market	22,913	4,199,852	384,592			4,607,358
Equities			3,522,755			3,522,755
Corporate Bonds			-			-
Government Securities	2,997,556					2,997,556
Other					25,758,693	25,758,693
	3,020,469	4,199,852	3,907,347	4,385	25,758,693	36,890,747

McDonald Capital Investors
PORTFOLIO APPRAISAL
Prospect Creek Foundation
December 31, 2015

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
COMMON STOCK							
2,375	Bed, Bath & Beyond	32.66	77,559.88	48.25	114,593.75	2.9	0.0
2,525	Cardinal Health Inc.	38.95	98,347.50	89.27	225,406.75	5.8	1.7
4,250	Comcast Corp Class A	20.63	87,695.83	56.43	239,827.50	6.1	1.8
1,255	Core Laboratories	100.78	126,474.80	108.74	136,468.70	3 5	1.7
3,365	Ecolab Inc.	48.10	161,868.64	114.38	384,888.70	9.8	1.2
6,700	Expeditors Intl Wash	39.21	262,685.68	45.10	302,170.00	7.7	1.6
7,725	Fastenal Co.	42.23	326,195.98	40.82	315,334 50	8.1	2.7
4,400	Nike Inc. Class B	6.38	28,080.25	62.50	275,000.00	7.0	1.8
7,425	Paychex Inc.	29.31	217,595.38	52.89	392,708.25	10 0	2.9
12,875	Progressive Corp.	17.94	230,938.26	31.80	409,425.00	10.5	2.2
675	Stericycle	118.59	80,047.19	120.60	81,405 00	2.1	0.0
2,295	Union Pacific	91.94	210,999.22	78.20	179,469.00	4.6	2.8
575	Waters Corp.	27.66	15,902.26	134.58	77,383.50	2 0	0.0
7,150	Wells Fargo Inc.	25.56	182,757.88	54.36	388,674 00	9.9	2.8
			2,107,148.75		3,522,754.65	90.1	2.0
CASH AND EQUIVALENTS							
	Accrual Cash Account		2,858.93		2,858.93	0 1	0.0
	Money Market Fund		384,592.34		384,592.34	9 8	0 0
			387,451.27		387,451.27	9.9	0.0
TOTAL PORTFOLIO			**2,494,600.02**		**3,910,205.92**	**100.0**	**1.8**

charles SCHWAB

Schwab One® Account of
PROSPECT CREEK FOUNDATION

Account Number
5531-4346

Statement Period
December 1-31, 2015

Income Summary

Income Summary	This Period: Federally Tax-Exempt	This Period: Federally Taxable	Year to Date: Federally Tax-Exempt	Year to Date: Federally Taxable
Agency Security Interest	0.00	262.79	0.00	26,138.59
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Accrued Interest Paid[4]	0.00	0.00	0.00	(14,706.95)

[4]Certain accrued interest paid on taxable bonds may be deductible; consult your tax advisor

Investment Detail - Money Market Funds [Sweep]

Money Market Funds [Sweep]	Quantity	Market Price	Market Value	Current Yield	% of Account Assets
SCHWAB GOVT MONEY FUND: SWGXX	22,913.4900	1.0000	22,913.49	0.00%	<1%
[illegible]			[illegible]		[illegible]
[illegible]			[illegible]		[illegible]

Investment Detail - Fixed Income

Agency Securities	Par / Units Purchased	Market Price / Cost Per Unit	Market Value / Cost Basis	% of Account Assets / Acquired	Unrealized Gain or (Loss)	Estimated Annual Income / Yield to Maturity
FEDERAL FARM C 0.3055%17	**250,000.0000**	**99.8763**	**249,690.75**	**8%**	**(331.75)**	**N/A**
DUE 05/08/17	250,000.0000	100.0090	250,022.50	10/20/15	(331.75)	N/A
CUSIP: 3133EEEA4						
MOODY'S: Aaa S&P: AA+						
FFCB 0.4416%17	**200,000.0000**	**99.8811**	**199,762.20**	**7%**	**91.60**	**N/A**
DUE 03/29/17	200,000.0000	99.8353	199,670.60	12/28/15	91.60	N/A
CUSIP: 3133EDZW5						
MOODY'S: Aaa S&P: AA+						

Schwab has provided accurate gain and loss information wherever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings
Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement

Investment Detail - Fixed Income (continued)

Agency Securities (continued)	Par Units Purchased	Market Price Cost Per Unit	Market Value Cost Basis	% of Account Assets Acquired	Unrealized Gain or (Loss)	Estimated Annual Income Yield to Maturity
FHLB 0%16	100,000.0000	99.9938	99,993.80	3%	4.80	N/A
DUE 01/15/16	100,000.0000	99.9890	99,989.00	12/28/15	4.80	0.22%
CUSIP: 313384RV3						
MOODY'S: NR S&P: NR						*Accrued Interest: 0.00*
FHLB 0%16	300,000.0000	99.9871	299,961.30	10%	19.30	N/A
DUE 01/27/16	300,000.0000	99.9806	299,942.00	12/28/15	19.30	0.24%
CUSIP: 313384SH3						
MOODY'S: NR S&P: NR						*Accrued Interest: 0.00*
FHLB 0%16	200,000.0000	99.9030	199,806.00	7%	(6.94)	N/A
DUE 03/28/16	200,000.0000	99.9064	199,812.94	12/28/15	(6.94)	0.37%
CUSIP: 313384UW7						
MOODY'S: NR S&P: NR						*Accrued Interest: 0.00*
FHLB 0%16	200,000.0000	99.8794	199,758.80	7%	(10.09)	N/A
DUE 04/11/16	200,000.0000	99.8844	199,768.89	12/28/15	(10.09)	0.40%
CUSIP: 313384VL0						
MOODY'S: NR S&P: NR						*Accrued Interest: 0.00*
FHLB 0%16	200,000.0000	99.8276	199,655.20	7%	(24.80)	N/A
DUE 05/04/16	200,000.0000	99.8400	199,680.00	12/28/15	(24.80)	0.45%
CUSIP: 313384WK1						
MOODY'S: NR S&P: NR						*Accrued Interest: 0.00*
FHLB 0%16	200,000.0000	99.8009	199,601.80	7%	(6.20)	N/A
DUE 05/20/16	200,000.0000	99.8040	199,608.00	12/28/15	(6.20)	0.49%
CUSIP: 313384XB0						
MOODY'S: NR S&P: NR						*Accrued Interest: 0.00*

Schwab has provided accurate gain and loss information wherever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings
Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement.

Investment Detail - Fixed Income (continued)

Agency Securities (continued)	Par Units Purchased	Market Price Cost Per Unit	Market Value Cost Basis	% of Account Assets Acquired	Unrealized Gain or (Loss)	Estimated Annual Income Yield to Maturity
FHLB 0%16	300,000.0000	99.7356	299,206.80	10%	62.30	N/A
DUE 06/22/16	300,000.0000	99.7148	299,144.50	12/28/15	62.30	0.58%
CUSIP: 313384YL7						
MOODY'S: NR S&P: NR						*Accrued Interest: 0.00*
FHLB 0%16 ⊗	200,000.0000	99.9996	199,999.20	7%	585.92	N/A
DUE 06/24/16	200,000.0000	99.7066	199,413.28	12/28/15	585.92	0.59%
CUSIP: 313384YN3						
MOODY'S: NR S&P: NR						*Accrued Interest: 0.00*
FHLB 2.125%18	250,000.0000	100.3084	250,771.00	8%	(720.00)	5,312.50
DUE 03/02/18	250,000.0000	100.5964	251,491.00	11/03/15	(720.00)	1.86%
CALLABLE 03/02/16 AT 100.00000						
CUSIP: 3130A4HV7						
MOODY'S: Aaa S&P: AA+						*Accrued Interest: 1,756.08*
FREDDIE MAC 0%16	200,000.0000	99.9642	199,928.40	7%	4.96	N/A
DUE 02/19/16	200,000.0000	99.9617	199,923.44	12/28/15	4.96	0.26%
CUSIP: 313396TG8						
MOODY'S: NR S&P: NR						*Accrued Interest: 0.00*

Schwab has provided accurate gain and loss information wherever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings.
Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement.

Schwab One® Account of
PROSPECT CREEK FOUNDATION

Account Number
5531-4346

Statement Period
December 1-31, 2015

Investment Detail - Fixed Income (continued)

Agency Securities (continued)	Par / Units Purchased	Market Price / Cost Per Unit	Market Value / Cost Basis	% of Account Assets / Acquired	Unrealized Gain or (Loss)	Estimated Annual Income / Yield to Maturity
FREDDIE MAC 0.4071%17	400,000.0000	99.8551	399,420.40	13%	(487.75)	N/A
DUE 04/20/17	400,000.0000	99.9770	399,908.15	10/14/15	(487.75)	N/A
CUSIP: 3134G72G5						
MOODY'S: Aaa S&P: AA+						
Total Agency Securities	3,000,000.0000		2,997,555.65	99%	(818.65)	5,312.50
		Total Cost Basis:	2,998,374.30			
Total Fixed Income	3,000,000.0000		2,997,555.65	99%	(818.65)	5,312.50
		Total Cost Basis:	2,998,374.30			

Total Accrued Interest for Agency Securities: 1,756.08

Accrued Interest represents the interest that would be received if the fixed income investment was sold prior to the coupon payment.

Estimated Annual Income ("EAI") and Estimated Yield ("EY") calculations are for informational purposes only The actual income and yield might be lower or higher than the estimated amounts. EY is based upon EAI and the current price of the security and will fluctuate For certain types of securities, the calculations could include a return of principal or capital gains in which case EAI and EY would be overstated. EY and EAI are not promptly updated to reflect when an issuer has missed a regular payment or announced changes to future payments, in which case EAI and EY will continue to display at a prior rate

Total Investment Detail	3,020,469.14
Total Account Value	3,020,469.14
Total Cost Basis	2,998,374.30

Schwab has provided accurate gain and loss Information wherever possible for most investments Cost basis data may be incomplete or unavailable for some of your holdings
Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement.