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## Return of Private Foundation

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

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► Information about Form 990-PF and its separate instructions is at [www.irs.gov/form990pf](http://www.irs.gov/form990pf).

For calendar year 2015 or tax year beginning

, and ending

Name of foundation

## GANDRUD FOUNDATION

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

A Employer identification number

528 GANDRUD ROAD

41-6038629

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

OWATONNA, MN 55060-0528

B Telephone number

507-451-5430

G Check all that apply:

<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

C If exemption application is pending, check here ► H Check type of organization:  Section 501(c)(3) exempt private foundationD 1. Foreign organizations, check here ►  Section 4947(a)(1) nonexempt charitable trust  Other taxable private foundation2. Foreign organizations meeting the 85% test, check here and attach computation ► 

I Fair market value of all assets at end of year

J Accounting method:  Cash  Accrual

(from Part II, col (c), line 16)

(Other (specify) \_\_\_\_\_)

► \$ 274,327. (Part I, column (d) must be on cash basis.)

E If private foundation status was terminated under section 507(b)(1)(A), check here ► F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► 

## Part I Analysis of Revenue and Expenses

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received			N/A	
2	Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments	71.	71.		STATEMENT 1
4	Dividends and interest from securities	6,537.	6,537.		STATEMENT 2
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	4,220.			
b	Gross sales price for all assets on line 6a	4,220.			
7	Capital gain net income (from Part IV, line 2)		4,220.		
8	Net short-term capital gain				
9	Income modifications				
	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss)				
11	Other income				
12	Total. Add lines 1 through 11	10,828.	10,828.		
13	Compensation of officers, directors, trustees, etc	0.	0.		0.
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees				
b	Accounting fees	STMT 3	1,425.	712.	713.
c	Other professional fees				
17	Interest				
18	Taxes	STMT 4	219.	219.	0.
19	Depreciation and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses	STMT 5	25.	0.	25.
24	Total operating and administrative expenses. Add lines 13 through 23		1,669.	931.	738.
25	Contributions, gifts, grants paid		6,600.		6,600.
26	Total expenses and disbursements. Add lines 24 and 25		8,269.	931.	7,338.
27	Subtract line 26 from line 12:		2,559.		
a	Excess of revenue over expenses and disbursements				
b	Net investment income (if negative, enter -0-)			9,897.	
c	Adjusted net income (if negative, enter -0-)				N/A

Assets	Part II Balance Sheets	Attached schedules and amounts in the description column should be for end-of-year amounts only	Beginning of year	End of year
			(a) Book Value	(b) Book Value
			(c) Fair Market Value	
1	Cash - non-interest-bearing		7,321.	6,441.
2	Savings and temporary cash investments		6,708.	2,748.
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 6	95,609.	96,844.
b	Investments - corporate stock	STMT 7	132,526.	138,550.
c	Investments - corporate bonds			
11	Investments - land, buildings, and equipment basis ►			
	Less accumulated depreciation ►			
12	Investments - mortgage loans			
13	Investments - other	STMT 8	31,563.	31,703.
14	Land, buildings, and equipment basis ►			
	Less accumulated depreciation ►			
15	Other assets (describe ►	STATEMENT 9 )	5,000.	5,000.
16	Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)		278,727.	281,286.
17	Accounts payable and accrued expenses			
18	Grants payable			0.
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.
Liabilities	Foundations that follow SFAS 117, check here ►	<input checked="" type="checkbox"/>		
	and complete lines 24 through 26 and lines 30 and 31.			
24	Unrestricted		278,727.	281,286.
25	Temporarily restricted			
26	Permanently restricted			
Net Assets or Fund Balances	Foundations that do not follow SFAS 117, check here ►	<input type="checkbox"/>		
	and complete lines 27 through 31.			
27	Capital stock, trust principal, or current funds			
28	Paid-in or capital surplus, or land, bldg., and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds			
30	Total net assets or fund balances		278,727.	281,286.
31	Total liabilities and net assets/fund balances		278,727.	281,286.

## 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	278,727.
2	Enter amount from Part I, line 27a	2	2,559.
3	Other increases not included in line 2 (itemize) ►	3	0.
4	Add lines 1, 2, and 3	4	281,286.
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	281,286.

**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.)
<b>1a CAPITAL GAINS DIVIDENDS</b>					
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>4,220.</b>			<b>4,220.</b>		
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>4,220.</b>
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	<b>4,220.</b>	
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	<b>N/A</b>	

**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	<b>9,759.</b>	<b>278,850.</b>	<b>.034997</b>
2013	<b>15,023.</b>	<b>266,629.</b>	<b>.056344</b>
2012	<b>14,988.</b>	<b>258,749.</b>	<b>.057925</b>
2011	<b>12,999.</b>	<b>260,239.</b>	<b>.049950</b>
2010	<b>17,289.</b>	<b>263,389.</b>	<b>.065641</b>

2 Total of line 1, column (d) **2** **.264857**

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** **.052971**

4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5 **4** **271,372.**

5 Multiply line 4 by line 3 **5** **14,375.**

6 Enter 1% of net investment income (1% of Part I, line 27b) **6** **99.**

7 Add lines 5 and 6 **7** **14,474.**

8 Enter qualifying distributions from Part XII, line 4 **8** **7,338.**

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.

<b>Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)</b>	
1a	Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter "N/A" on line 1.
Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)	
1b	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
1c	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-)
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	<b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-
6	<b>Credits/Payments:</b>
6a	2015 estimated tax payments and 2014 overpayment credited to 2015
6b	Exempt foreign organizations - tax withheld at source
6c	Tax paid with application for extension of time to file (Form 8868)
6d	Backup withholding erroneously withheld
7	Total credits and payments. Add lines 6a through 6d
8	Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached
9	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b> ►
10	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b> ►
11	Enter the amount of line 10 to be: <b>Credited to 2016 estimated tax</b> ► <span style="float: right;">Refunded ►</span>

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

## 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 ► **DALE GANDRUD** Telephone no. ► **507-451-5430**  
 Located at ► **528 GANDRUD ROAD, OWATONNA, MN** ZIP+4 ► **55060-0528**

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**

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? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ► **16**

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input 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 ► <b>N/A</b>		
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?		
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? If "Yes," list the years ► <b>1c</b>	<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.)		
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► <b>2b</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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 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.)		
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 2015?		

**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 <b>any</b> 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)?	<b>N/A</b>		5b	
Organizations relying on a current notice regarding disaster assistance check here	<input type="checkbox"/>			
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?	<b>N/A</b>	<input type="checkbox"/> Yes <input type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		6b	<input checked="" type="checkbox"/>
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<input type="checkbox"/>			
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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	<input type="checkbox"/>		<b>N/A</b>	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
DALE E GANDRUD 528 GANDRUD ROAD OWATONNA, MN 550600528	PRESIDENT 2.00	0.	0.	0.
JADE GANDRUD 528 GANDRUD ROAD OWATONNA, MN 550600528	DIRECTOR 0.50	0.	0.	0.
LINDA GANDRUD 528 GANDRUD ROAD OWATONNA, MN 550600528	VICE PRESIDENT 0.50	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

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**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
<b>NONE</b>		

**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
<b>1 NONE - ALL CONTRIBUTIONS MADE TO 501 (C)(3) ORGANIZATIONS AND PUBLIC SUPPORTED CAUSES IN WHICH THE FOUNDATION HAS NO INVOLVEMENT.</b>	
	0.
<b>2</b>	
<b>3</b>	
<b>4</b>	

**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
<b>1 NONE - ALL INVESTMENTS ARE FOR PURPOSES OF PRODUCING INVESTMENT INCOME</b>	
	0.
<b>2</b>	
All other program-related investments. See instructions.	
<b>3</b>	
<b>Total. Add lines 1 through 3</b>	<b>► 0.</b>

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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	272,344.
b	Average of monthly cash balances	1b	3,161.
c	Fair market value of all other assets	1c	
d	<b>Total</b> (add lines 1a, b, and c)	1d	275,505.
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	275,505.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	4,133.
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	5	271,372.
6	<b>Minimum investment return.</b> Enter 5% of line 5	6	13,569.

**Part XI****Distributable Amount** (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certainforeign organizations check here ►  and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	13,569.
2a	Tax on investment income for 2015 from Part VI, line 5	2a	198.
b	Income tax for 2015. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	198.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	13,371.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	13,371.
6	Deduction from distributable amount (see instructions)	6	0.
7	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	13,371.

**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	7,338.
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	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	7,338.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	6	7,338.

**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				13,371.
2 Undistributed income, if any, as of the end of 2015			0.	
a Enter amount for 2014 only				
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2015:				
a From 2010	4,304.			
b From 2011	130.			
c From 2012	2,218.			
d From 2013	1,874.			
e From 2014				
f Total of lines 3a through e	8,526.			
4 Qualifying distributions for 2015 from Part XII, line 4: ► \$ 7,338.			0.	
a Applied to 2014, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2015 distributable amount				7,338.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2015 (If an amount appears in column (d), the same amount must be shown in column (a))	6,033.			6,033.
6 Enter the net total of each column as indicated below:	2,493.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5			0.	
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			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	2,493.			
10 Analysis of line 9:				
a Excess from 2011				
b Excess from 2012	619.			
c Excess from 2013	1,874.			
d Excess from 2014				
e Excess from 2015				



## 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)				
<b>a Paid during the year</b>				
AMERICAN RED CROSS - STEELE CO 1414 S OAK AVE OWATONNA, MN 55060	NONE	PC	TO PROVIDE ASSISTANCE TO FURTHER PROGRAM MISSION	500.
GAMEHAVEN COUNCIL, BSA 1124 11-1/2 STREET SE ROCHESTER, MN 55904	NONE	PC	TO PROVIDE ASSISTANCE TO FURTHER PROGRAM MISSION	1,200.
HEALTHY SENIORS 2250 NW 26TH STREET OWATONNA, MN 55060	NONE	PC	TO PROVIDE ASSISTANCE TO FURTHER PROGRAM MISSION	2,200.
HOMESTEAD HOSPICE HOUSE 2350 26TH ST NW OWATONNA, MN 55060	NONE	PC	TO PROVIDE ASSISTANCE TO FURTHER PROGRAM MISSION	200.
OWATONNA FOUNDATION PO BOX 642 OWATONNA, MN 55060	NONE	PC	TO PROVIDE ASSISTANCE TO FURTHER PROGRAM MISSION	100.
<b>Total</b>	<b>SEE CONTINUATION SHEET(S)</b>			► 3a 6,600.
<b>b Approved for future payment</b>				
NONE				
<b>Total</b>				► 3b 0.

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

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		(e) Related or exempt function income
		(a) Business code	(b) Amount	
<b>1</b> Program service revenue:				
a				
b				
c				
d				
e				
f				
g Fees and contracts from government agencies				
<b>2</b> Membership dues and assessments				
<b>3</b> Interest on savings and temporary cash investments				14 71.
<b>4</b> Dividends and interest from securities				14 6,537.
<b>5</b> Net rental income or (loss) from real estate:				
a Debt-financed property				
b Not debt-financed property				
<b>6</b> Net rental income or (loss) from personal property				
<b>7</b> Other investment income				
<b>8</b> Gain or (loss) from sales of assets other than inventory				14 4,220.
<b>9</b> Net income or (loss) from special events				
<b>10</b> Gross profit or (loss) from sales of inventory				
<b>11</b> Other revenue:				
a				
b				
c				
d				
e				
<b>12</b> Subtotal. Add columns (b), (d), and (e)			0.	10,828.
<b>13</b> Total. Add line 12, columns (b), (d), and (e)			0.	10,828.

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



## GANDRUD FOUNDATION

41-6038629

## 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
STEELE COUNTY CLOTHESLINE 155 OAKDALE ST OWATONNA, MN 55060	NONE	PC	TO PROVIDE ASSISTANCE TO FURTHER PROGRAM MISSION	600.
STEELE COUNTY FOODSHELF 155 OAKDALE ST OWATONNA, MN 55060	NONE	PC	TO PROVIDE ASSISTANCE TO FURTHER PROGRAM MISSION	600.
TRINITY LUTHERAN CHURCH FOUNDATION 609 LINCOLN AVE S OWATONNA, MN 55060	NONE	PC	TO PROVIDE ASSISTANCE TO FURTHER PROGRAM MISSION	100.
BETH BEHNE SCHOLARSHIP 727 13TH AVE S ST. CLOUD, MN 56301	NONE	PC	TO PROVIDE ASSISTANCE TO FURTHER PROGRAM MISSION	200.
OUR SAVIORS LUTHERAN 1909 ST PAUL ROAD OWATONNA, MN 55060	NONE	PC	TO PROVIDE ASSISTANCE TO FURTHER PROGRAM MISSION	100.
STEELE COUNTY ROTARY FOUNDATION PO BOX 218 OWATONNA, MN 55060	NONE	PC	TO PROVIDE ASSISTANCE TO FURTHER PROGRAM MISSION	100.
WEED SCIENCE SOCIETY OF AMERICA 810 EAST 10TH ST. LAWRENCE, KS 66044	NONE	PC	TO PROVIDE ASSISTANCE TO FURTHER PROGRAM MISSION	500.
OWATONNA WOMENS CLUB 142 W BROADWAY ST OWATONNA, MN 55060	NONE	PC	TO PROVIDE ASSISTANCE TO FURTHER PROGRAM MISSION	200.
<b>Total from continuation sheets</b>				<b>2,400.</b>

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## FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
RBC DAIN RAUSCHER	71.	71.	
TOTAL TO PART I, LINE 3	71.	71.	

## FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
RBC DAIN RAUSCHER	10,757.	4,220.	6,537.	6,537.	
TO PART I, LINE 4	10,757.	4,220.	6,537.	6,537.	

## FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	1,425.	712.		713.
TO FORM 990-PF, PG 1, LN 16B	1,425.	712.		713.

## FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES PAID	219.	219.		0.
TO FORM 990-PF, PG 1, LN 18	219.	219.		0.

FORM 990-PF

OTHER EXPENSES

STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
STATE REGISTRATION FEE	25.	0.		25.
TO FORM 990-PF, PG 1, LN 23	25.	0.		25.

FORM 990-PF

U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS

STATEMENT 6

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
AMERICAN CAPITAL LIMITED 1332.309 SHARES	X		30,506.	18,373.
FIDELITY ADV NEW INSIGHTS FD CL T 1242.505 SHARES	X		27,218.	31,696.
TORTOISE MLP FUND INC 875 SHARES	X		21,378.	15,190.
XCEL ENERGY INC 1000 SHARES	X		17,742.	35,910.
<b>TOTAL U.S. GOVERNMENT OBLIGATIONS</b>			<b>96,844.</b>	<b>101,169.</b>
<b>TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS</b>				
<b>TOTAL TO FORM 990-PF, PART II, LINE 10A</b>			<b>96,844.</b>	<b>101,169.</b>

FORM 990-PF

CORPORATE STOCK

STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CAPITAL INCOME BUILDER CL A 651.139 SHARES	34,864.	36,366.
IVA FIDUCIARY TR IVA WORLDWIDE FD CL A 1474.018 SHARES	23,488.	24,071.
IVY FDS INC ASSET STRATEGY FD CL A 1694.841 SHARES	42,460.	37,185.
THORNBURG INVESTMENT INCOME BUILDER CLASS A 1830.035 SHARES	37,738.	34,697.
<b>TOTAL TO FORM 990-PF, PART II, LINE 10B</b>	<b>138,550.</b>	<b>132,319.</b>

FORM 990-PF

OTHER INVESTMENTS

STATEMENT 8

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
ISHARES INTERNATIONAL SELECT DIVIDEND ETF 550 SHARES	COST	20,696.	15,790.
MFS SER TR X INTL DIVERSIFICATION FD CL C 722.52 SHARES	COST	11,007.	10,860.
TOTAL TO FORM 990-PF, PART II, LINE 13		31,703.	26,650.

FORM 990-PF

OTHER ASSETS

STATEMENT 9

DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
OCC FOUNDATION DEPOSIT	5,000.	5,000.	5,000.
TO FORM 990-PF, PART II, LINE 15	5,000.	5,000.	5,000.

## FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
RBC DAIN RAUSCHER	71.	71.	
TOTAL TO PART I, LINE 3	71.	71.	

## FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
RBC DAIN RAUSCHER	10,757.	4,220.	6,537.	6,537.	
TO PART I, LINE 4	10,757.	4,220.	6,537.	6,537.	

## FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	1,425.	712.		713.
TO FORM 990-PF, PG 1, LN 16B	1,425.	712.		713.

## FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES PAID	219.	219.		0.
TO FORM 990-PF, PG 1, LN 18	219.	219.		0.

FORM 990-PF

OTHER EXPENSES

STATEMENT

5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
STATE REGISTRATION FEE	25.	0.		25.
TO FORM 990-PF, PG 1, LN 23	25.	0.		25.

FORM 990-PF

U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS

STATEMENT

6

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
AMERICAN CAPITAL LIMITED 1332.309 SHARES	X		30,506.	18,373.
FIDELITY ADV NEW INSIGHTS FD CL T 1242.505 SHARES	X		27,218.	31,696.
TORTOISE MLP FUND INC 875 SHARES	X		21,378.	15,190.
XCEL ENERGY INC 1000 SHARES	X		17,742.	35,910.
TOTAL U.S. GOVERNMENT OBLIGATIONS			96,844.	101,169.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			96,844.	101,169.

FORM 990-PF

CORPORATE STOCK

STATEMENT

7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CAPITAL INCOME BUILDER CL A 651.139 SHARES	34,864.	36,366.
IVA FIDUCIARY TR IVA WORLDWIDE FD CL A 1474.018 SHARES	23,488.	24,071.
IVY FDS INC ASSET STRATEGY FD CL A 1694.841 SHARES	42,460.	37,185.
THORNBURG INVESTMENT INCOME BUILDER CLASS A 1830.035 SHARES	37,738.	34,697.
TOTAL TO FORM 990-PF, PART II, LINE 10B	138,550.	132,319.

FORM 990-PF

OTHER INVESTMENTS

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MFS SER TR X INTL DIVERSIFICATION FD CL C 722.52 SHARES	COST	11,007.	10,860.
TOTAL TO FORM 990-PF, PART II, LINE 13		31,703.	26,650.

FORM 990-PF

OTHER ASSETS

STATEMENT 9

DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
OCC FOUNDATION DEPOSIT	5,000.	5,000.	5,000.
TO FORM 990-PF, PART II, LINE 15	5,000.	5,000.	5,000.