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Form **990-PF****Return of Private Foundation**

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

OMB No 1545-0052

2016

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

- ▶ Do not enter social security numbers on this form as it may be made public.
▶ Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

For calendar year 2016 or tax year beginning

, and ending

Name of foundation

Leo C Parent Scholarship Trust II

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

2300 South Columbia Rd c/o Alerus Financial

Room/suite

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

Grand Forks

ND

58201

Foreign country name

Foreign province/state/country

Foreign postal code

A Employer identification number

26-6312571

B Telephone number (see instructions)

701-795-3211

C If exemption application is pending, check here ☐

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 1,360,288

J Accounting method ☒ Cash ☐ Accrual
☐ Other (specify) _____
(Part I, column (d) must be on cash basis)**Part I Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue				
1 Contributions, gifts, grants, etc., received (attach schedule)				
2 Check ☐ if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	32,519	32,519		
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	45,813			
b Gross sales price for all assets on line 6a 424,346				
7 Capital gain net income (from Part IV, line 2)		45,813		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	78,332	78,332	0	
Operating and Administrative Expenses				
13 Compensation of officers, directors, trustees, etc	11,636	7,757		3,879
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)				
b Accounting fees (attach schedule)	282			
c Other professional fees (attach schedule)	2,717	2,717		
17 Interest				
18 Taxes (attach schedule) (see instructions)	774			
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule)				
24 Total operating and administrative expenses. Add lines 13 through 23	15,409	10,474	0	3,879
25 Contributions, gifts, grants paid	66,600			66,600
26 Total expenses and disbursements. Add lines 24 and 25	82,009	10,474	0	70,479
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	-3,677			
b Net investment income (if negative, enter -0-)		67,858		
c Adjusted net income (if negative, enter -0-)			0	

For Paperwork Reduction Act Notice, see instructions.
HTAForm **990-PF** (2016)

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing				
	2	Savings and temporary cash investments		22,470	22,555	22,555
	3	Accounts receivable ▶				
		Less allowance for doubtful accounts ▶				
	4	Pledges receivable ▶				
		Less allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)				
	7	Other notes and loans receivable (attach schedule) ▶				
		Less allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments—U S and state government obligations (attach schedule)				
	b	Investments—corporate stock (attach schedule)		830,691	826,074	1,003,637
	c	Investments—corporate bonds (attach schedule)		335,958	336,813	334,096
	11	Investments—land, buildings, and equipment basis ▶				
		Less accumulated depreciation (attach schedule) ▶				
	12	Investments—mortgage loans				
	13	Investments—other (attach schedule)				
	14	Land, buildings, and equipment basis ▶				
		Less accumulated depreciation (attach schedule) ▶				
	15	Other assets (describe ▶)				
	16	Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)		1,189,119	1,185,442	1,360,288
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶)				
	23	Total liabilities (add lines 17 through 22)		0	0	
Net Assets or Fund Balances		Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ☐				
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ☒				
	27	Capital stock, trust principal, or current funds		1,047,906	1,047,906	
	28	Paid-in or capital surplus, or land, bldg, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds		141,213	137,536	
	30	Total net assets or fund balances (see instructions)		1,189,119	1,185,442	
	31	Total liabilities and net assets/fund balances (see instructions)		1,189,119	1,185,442	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,189,119
2	Enter amount from Part I, line 27a	2	-3,677
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,185,442
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,185,442

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	STCG	P	VARIOUS	VARIOUS
b	LTCG	P	VARIOUS	VARIOUS
c	LTCG DIV			
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 124,112		126,523	-2,411
b 298,849		252,010	46,839
c 1,385			1,385
d			
e			

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

(i) FMV 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			-2,411
b			46,839
c			1,385
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	45,813
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8		3	0

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

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

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries			
(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2015	60,666	1,359,323	0.044630
2014	58,465	1,370,784	0.042651
2013	52,175	1,270,206	0.041076
2012	37,923	1,147,565	0.033046
2011	34,211	1,139,982	0.030010

2 Total of line 1, column (d)	2	0.191413
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.038283
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	1,334,024
5 Multiply line 4 by line 3	5	51,070
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	679
7 Add lines 5 and 6	7	51,749
8 Enter qualifying distributions from Part XII, line 4 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.	8	70,479

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	679	
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	679	
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4		
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	679	
6	Credits/Payments			
a	2016 estimated tax payments and 2015 overpayment credited to 2016	6a	874	
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	874	
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	0	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	195	
11	Enter the amount of line 10 to be Credited to 2017 estimated tax ☐ Refunded ☐	11	0	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b 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>		X
c Did the foundation file Form 1120-POL for this year?		
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ☐ \$ (2) On foundation managers ☐ \$		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ☐ \$		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities</i>		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? <i>If "Yes," attach a conformed copy of the changes</i>		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
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>		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?	X	
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>	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ ND		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? <i>If "No," attach explanation</i>		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 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11	Yes	No X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► none	13	X	
14	The books are in care of ► Alerus Financial Telephone no ► (701) 795-3212 Located at ► 2300 South Columbia Rd Grand Forks ND ZIP+4 ► 58201			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the year ► 15			
16	At any time during calendar year 2016, 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	Yes	No X

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

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

1a	During the year did the foundation (either directly or indirectly)		Yes	No
(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)? Organizations relying on a current notice regarding disaster assistance check here ► ☐	1b	N/A	
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 2016?	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 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? ☐ Yes ☒ No If "Yes," list the years ► 20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions)	2b	N/A	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► 20____, 20____, 20____, 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2016 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 2016)	3b	N/A	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?	4b		X

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

- 5a** During the year did the foundation pay or incur any amount to:
- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
 - (2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
 - (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
 - (4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions) ☐ Yes ☒ No
 - (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No
- b** If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? ☐ Yes ☒ No
Organizations relying on a current notice regarding disaster assistance check here ☐
- c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No
If "Yes," attach the statement required by Regulations section 53.4945–5(d)
- 6a** Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No
- b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No
If "Yes" to 6b, file Form 8870
- 7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No
- b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No

5b N/A

6b X

7b N/A

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Alerus Financial 2300 S Columbia Rd Grand Forks, ND 58201	Trustee 1 00	11,636		

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

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

Total number of other employees paid over \$50,000 ☐

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)***3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services		

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 None	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

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

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	1,331,826
b	Average of monthly cash balances	1b	22,513
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	1,354,339
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	1,354,339
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see instructions)	4	20,315
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,334,024
6	Minimum investment return. Enter 5% of line 5	6	66,701

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	66,701
2a	Tax on investment income for 2016 from Part VI, line 5	2a	679
b	Income tax for 2016. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	679
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	66,022
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	66,022
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	66,022

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	70,479
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	70,479
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	679
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	69,800

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 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7				66,022
2 Undistributed income, if any, as of the end of 2016:				
a Enter amount for 2015 only			54,698	
b Total for prior years. 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2016:				
a From 2011				
b From 2012				
c From 2013				
d From 2014				
e From 2015				
f Total of lines 3a through e	0			
4 Qualifying distributions for 2016 from Part XII, line 4 ▶ \$ 70,479				
a Applied to 2015, but not more than line 2a			54,698	
b Applied to undistributed income of prior years (Election required—see instructions)				
c Treated as distributions out of corpus (Election required—see instructions)				
d Applied to 2016 distributable amount				15,781
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2016. (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0			
b Prior years' undistributed income. Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see instructions				
e Undistributed income for 2015. Subtract line 4a from line 2a. Taxable amount—see instructions			0	
f Undistributed income for 2016. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2017				50,241
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required—see instructions)				
8 Excess distributions carryover from 2011 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9:				
a Excess from 2012				
b Excess from 2013				
c Excess from 2014				
d Excess from 2015				
e Excess from 2016				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)**N/A****1a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2016, 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)**2a** Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed**b** 85% of line 2a**c** Qualifying distributions from Part XII, line 4 for each year listed**d** Amounts included in line 2c not used directly for active conduct of exempt activities**e** Qualifying distributions made directly for active conduct of exempt activities
Subtract line 2d from line 2c**3** Complete 3a, b, or c for the alternative test relied upon**a** "Assets" alternative test—enter**(1)** Value of all assets**(2)** Value of assets qualifying under section 4942(j)(3)(B)(i)**b** "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed**c** "Support" alternative test—enter**(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)**(2)** Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)**(3)** Largest amount of support from an exempt organization**(4)** Gross investment income

Tax year	Prior 3 years			(e) Total
(a) 2016	(b) 2015	(c) 2014	(d) 2013	
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see instructions.)**1 Information Regarding Foundation Managers:****a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))

None

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

None

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:Check here ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.**a** The name, address, and telephone number or e-mail address of the person to whom applications should be addressed

Alerus Financial - Claire Herland 401 Demers Ave Grand Forks, ND 58201 (701) 795-3325

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

Application can be requested from Claire Herland, Alerus Financial

c Any submission deadlines

Varies

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

Scholarships of \$1,200 for tuition and books to the University of ND or to any institution of higher learning in MN. See attached schedule

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

- 1** Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?
- a** Transfers from the reporting foundation to a noncharitable exempt organization of
- (1) Cash
- (2) Other assets
- b** Other transactions
- (1) Sales of assets to a noncharitable exempt organization
- (2) Purchases of assets from a noncharitable exempt organization
- (3) Rental of facilities, equipment, or other assets
- (4) Reimbursement arrangements
- (5) Loans or loan guarantees
- (6) Performance of services or membership or fundraising solicitations
- c** Sharing of facilities, equipment, mailing lists, other assets, or paid employees
- d** If the answer to any of the above is "Yes," complete the following schedule. Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received.

	Yes	No
1a(1)		X
1a(2)		X
1b(1)		X
1b(2)		X
1b(3)		X
1b(4)		X
1b(5)		X
1b(6)		X
1c		X

[illegible]

- 2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No
- b** If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

**Sign
Here**

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

Signature of officer or trustee: David Herland Date: 9/28/17 Title: Trust Officer

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

**Paid
Preparer
Use Only**

Print/Type preparer's name Brenda Jobe	Preparer's signature <i>Brenda Jobe</i>	Date 9/25/2017	Check ☐ if self-employed	PTIN P01258817
Firm's name ▶ Alerus Financial			Firm's EIN ▶ 45-0140105	
Firm's address ▶ 2300 S Columbia Rd, Grand Forks, ND 58201			Phone no 701-795-3212	

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

Recipient(s) paid during the year

Name

ST CLOUD STATE UNIVERSITY

Street

720 4TH AVE S

City

ST CLOUD

State

MN

Zip Code

56301

Foreign Country**Relationship****Foundation Status****Purpose of grant/contribution**

SCHOLARSHIPS

Amount

1,200

Name

UNIVERSITY OF MINNESOTA CROOKSTON

Street

2900 UNIVERSITY AVE

City

CROOKSTON

State

MN

Zip Code

56716

Foreign Country**Relationship****Foundation Status****Purpose of grant/contribution**

SCHOLARSHIPS

Amount

6,000

Name

UNIVERSITY OF MINNESOTA DULUTH

Street

1049 UNIVERSITY AVE

City

DULUTH

State

MN

Zip Code

55812

Foreign Country**Relationship****Foundation Status****Purpose of grant/contribution**

SCHOLARSHIPS

Amount

1,200

Name

UNIVERSITY OF MINNESOTA TWIN CITIES

Street

106 PLEASANT ST SE

City

MINNEAPOLIS

State

MN

Zip Code

55455

Foreign Country**Relationship****Foundation Status****Purpose of grant/contribution**

SCHOLARSHIPS

Amount

2,400

Name

UNIVERSITY OF NORTH DAKOTA

Street

264 CENTENNIAL DR

City

GRAND FORKS

State

ND

Zip Code

58202

Foreign Country**Relationship****Foundation Status****Purpose of grant/contribution**

SCHOLARSHIPS

Amount

15,000

Name

UNIVERSITY OF NORTHWESTERN ST PAUL

Street

3003 SNELLING AVE

City

ST PAUL

State

MN

Zip Code

55113

Foreign Country**Relationship****Foundation Status****Purpose of grant/contribution**

SCHOLARSHIPS

Amount

4,800

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

Recipient(s) paid during the year

Name

VERMILLION COMMUNITY COLLEGE

Street

1900 EAST CAMP STREET

City

ELY

State

MN

Zip Code

55731

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

SCHOLARSHIPS

Amount

1,200

Name

Street

City

State

Zip Code

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

Amount

Name

Street

City

State

Zip Code

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

Amount

Name

Street

City

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Zip Code

Foreign Country

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Zip Code

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

Amount

Name

Street

City

State

Zip Code

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

Amount

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

Description	CLIP#	Check 'X' to include in Part IV	Check 'X' if Purchaser is a Business	Acquisition Method	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Valuation Method	Expenses of Sale and Cost of Improvements	Depreciation	Adjustments	Net Gain or Loss
Totals													
Capital Gains/Losses													
Other sales													
Amount Long Term CG Distributions Short Term CG Distributions													
424,346 378,533 45,813													
1	STCG		X	P	VARIOUS	VARIOUS	124,112	126,522					-2,410
2	LTCG		X	P	VARIOUS	VARIOUS	238,848	232,010					46,838
3	LTCG DIV		X				1,355						1,355

Leo C Parent Scholarship Trust II
12/31/16
#26-6312571

Start Date 01/01/2016
End Date 12/31/2016

Description	Sold	Acquired	Proceeds	Cost	Gain/Loss	Covered	How Acquired	Original Acq Date
** SHORT TERM CAPITAL GAIN (LOSS)								
42 SHARES OF NORDSTROM INC	02/17/16	11/19/15	2,196 21	2,345 45	(149 24)	Covered	P	
40 SHARES OF MARRIOTT INTERNATIONAL INC	03/14/16	02/24/16	2,841 62	2,652 70	188 92	Covered	P	
8 SHARES OF EXPRESS SCRIPTS HLDG CO	04/22/16	10/12/15	589 17	669 92	(80 75)	Covered	P	
16 SHARES OF MCKESSON HBOC INC COM	04/22/16	09/24/15	2,843 94	3,166 05	(322 11)	Covered	P	
33 SHARES OF DICK'S SPORTING GOODS	04/29/16	08/21/15	1,512 98	1,664 32	(151 34)	Covered	P	
21 SHARES OF MONSANTO COMPANY	05/12/16	06/04/15	2,056 28	2,391 35	(335 07)	Covered	P	
0 5 SHARES OF FORTIVE CORP	07/11/16	07/18/16	24 98	25 79	(0 81)	Covered	P	
10 SHARES OF BIOGEN IDEC	08/04/16	04/22/16	3,152 53	2,814 07	338 46	Covered	P	
1 SHARES OF BIOGEN IDEC	08/12/16	04/22/16	313 71	281 41	32 30	Covered	P	
24 SHARES OF MYLAN NV	08/12/16	12/08/15	1,158 69	1,234 74	(76 05)	Covered	P	
9 SHARES OF MYLAN NV	08/12/16	01/08/16	434 51	446 58	(12 07)	Covered	P	
3 SHARES OF MCKESSON HBOC INC COM	08/12/16	09/24/15	585 02	593 63	(8 61)	Covered	P	
3 SHARES OF MCKESSON HBOC INC COM	08/12/16	09/24/15	585 01	592 29	(7 28)	Covered	P	
34 SHARES OF MYLAN NV	09/01/16	01/08/16	1,411 74	1,687 06	(275 32)	Covered	P	
0 52 SHARES OF ADVANSIX INC	10/07/16	02/02/16	7 98	132 69	(124 71)	Covered	C	02/02/16
0 44 SHARES OF ADVANSIX INC	10/07/16	03/02/16	6 76	118 53	(111 77)	Covered	C	03/02/16
72 SHARES OF TWENTY-FIRST CENTURY FOX INC	11/02/16	05/13/16	1,854 95	2,097 17	(242 22)	Covered	P	05/13/16
1464 088 SHARES OF JP MORGAN MULTI MNGR ALTERNATIVE SELECT	11/04/16	07/08/16	21,756 35	22,063 80	(307 45)	Covered	P	07/08/16
1403 17 SHARES OF JP MORGAN MULTI MNGR ALTERNATIVE SELECT	11/04/16	07/19/16	20,851 10	21,131 74	(280 64)	Covered	P	07/19/16
1 SHARES OF BIOGEN IDEC	11/10/16	04/22/16	323 91	281 40	42 51	Covered	P	04/22/16
10 SHARES OF BIOGEN IDEC	11/10/16	05/04/16	3,239 13	2,636 82	602 31	Covered	P	05/04/16
382 01 SHARES OF VANGUARD REIT INDEX ADMIRAL FUND #5123 INDEX FUND	11/16/16	11/04/16	43,060 17	42,693 47	366 70	Covered	P	11/04/16
17 SHARES OF NIKE INC CL B	11/18/16	04/29/16	867 23	994 54	(127 31)	Covered	P	04/29/16
35 SHARES OF SPDR TR UNIT SER 1	12/01/16	07/28/16	7,671 13	7,576 41	94 72	Covered	P	07/28/16
12 SHARES OF SPDR TR UNIT SER 1	12/01/16	08/04/16	2,630 10	2,596 44	33 66	Covered	P	08/04/16
8 SHARES OF CARDINAL HEALTH INC	12/09/16	03/14/16	583 53	671 15	(87 62)	Covered	P	03/14/16
12 SHARES OF CARDINAL HEALTH INC	12/09/16	03/22/16	875 29	982 32	(107 03)	Covered	P	03/22/16
10 SHARES OF CARDINAL HEALTH INC	12/09/16	04/22/16	729 41	866 34	(136 93)	Covered	P	04/22/16
14 SHARES OF MARRIOTT INTERNATIONAL INC	12/14/16	04/29/16	1,174 53	981 21	193 32	Covered	P	04/29/16
2 SHARES OF MARRIOTT INTERNATIONAL INC	12/14/16	05/13/16	167 79	133 93	33 86	Covered	P	05/13/16
TOTAL LOSS FROM PARTNERSHIPS S CORPORATIONS OR OTHER FIDUCIARIES			(1,393 59)	-	(1,393 59)			
** TOTAL SHORT TERM CAPITAL GAIN (LOSS)			124,112 16	126,523 32	(2,411 16)			
** LONG TERM CAPITAL GAIN (LOSS)								
13 SHARES OF ACCENTURE PLC	08/12/16	08/30/11	1,467 54	694 46	773 08	Covered	P	
3 16 SHARES OF ADVANSIX INC	11/17/16	07/19/12	51 37	464 89	(413 52)	Covered	C	07/19/12
0 2 SHARES OF ADVANSIX INC	11/17/16	01/06/15	3 25	49 61	(46 36)	Covered	C	01/06/15
0 64 SHARES OF ADVANSIX INC	11/17/16	08/24/15	10 40	159 07	(148 67)	Covered	C	08/24/15
12 SHARES OF ALLERGAN PLC	08/12/16	06/26/15	2,997 65	3,664 46	(666 81)	Covered	P	
3 SHARES OF ALPHABET INC CLASS A	07/28/16	05/01/14	2,286 70	1,611 68	675 02	Covered	P	
7 SHARES OF ALPHABET INC CLASS A	07/28/16	10/30/14	5,335 62	3,879 68	1,455 94	Covered	P	
14 SHARES OF APPLE COMPUTER INC	08/12/16	09/25/13	1,511 97	867 17	644 80	Covered	P	
13 SHARES OF BECTON DICKINSON & COMPANY	08/10/16	05/22/15	2,262 10	1,659 30	602 80	Covered	P	
1 SHARES OF BECTON DICKINSON & COMPANY	10/26/16	07/30/14	167 23	106 94	60 29	Covered	P	07/30/14
5 SHARES OF BECTON DICKINSON & COMPANY	10/26/16	05/22/15	836 14	638 19	197 95	Covered	P	05/22/15
5 SHARES OF BECTON DICKINSON & COMPANY	10/26/16	10/12/15	836 15	620 50	215 65	Covered	P	10/12/15
15 SHARES OF BERKSHIRE HATHAWAY CL B	08/12/16	03/04/15	2,213 67	2,177 44	36 23	Covered	P	
13 SHARES OF BERKSHIRE HATHAWAY CL B	08/12/16	03/05/15	1,918 51	1,900 12	18 39	Covered	P	
2 SHARES OF BERKSHIRE HATHAWAY CL B	08/12/16	06/09/15	295 16	280 63	14 53	Covered	P	
4 SHARES OF BLACKROCK INC	08/03/16	06/09/15	1,466 74	1,410 60	56 14	Covered	P	
7 SHARES OF BLACKROCK INC	08/03/16	07/09/15	2,566 79	2,365 71	201 08	Covered	P	
1 SHARES OF BLACKROCK INC	08/12/16	07/09/15	366 04	337 96	28 08	Covered	P	
8 SHARES OF BLACKROCK INC	09/13/16	05/02/12	2,887 30	1,507 83	1,379 47	Covered	P	
2 SHARES OF BLACKROCK INC	09/13/16	07/09/15	721 82	675 92	45 90	Covered	P	
10 SHARES OF BLACKROCK INC	09/16/16	05/02/12	3,644 67	1,884 79	1,759 88	Covered	P	
2 SHARES OF BOEING COMPANY	08/12/16	03/27/14	266 41	222 11	44 30	Covered	P	
7 SHARES OF BOEING COMPANY	08/12/16	01/05/15	932 45	808 60	123 85	Covered	P	
6 SHARES OF BOEING COMPANY	08/12/16	01/05/15	799 24	693 97	105 27	Covered	P	
26 SHARES OF CARDINAL HEALTH INC	11/18/16	08/21/15	1,843 17	2,102 87	(259 70)	Covered	P	08/21/15
33 SHARES OF CARDINAL HEALTH INC	11/18/16	09/24/15	2,339 40	2,688 87	(349 47)	Covered	P	09/24/15
28 SHARES OF CARDINAL HEALTH INC	12/09/16	08/21/15	2,042 34	2,264 62	(222 28)	Covered	P	08/21/15
12 SHARES OF CELGENE CORP	08/12/16	06/05/15	1,359 72	1,330 22	29 50	Covered	P	
50 SHARES OF CISCO SYSTEMS	08/12/16	07/30/14	1,537 00	1,283 00	254 00	Covered	P	
5 SHARES OF CME GROUP	08/12/16	04/11/14	517 49	337 04	180 45	Covered	P	
26 SHARES OF CME GROUP	12/13/16	03/19/09	3,207 03	1,208 23	1,998 80			03/19/09
9 SHARES OF CME GROUP	12/13/16	04/11/14	1,110 13	606 66	503 47	Covered	P	04/11/14
6 SHARES OF COGNIZANT TECH SOLUTIONS CORP	08/04/16	10/02/14	349 59	237 01	112 58	Covered	P	
50 SHARES OF COGNIZANT TECH SOLUTIONS CORP	08/04/16	01/02/15	2,913 23	2,352 22	561 01	Covered	P	

2 SHARES OF COMCAST CORP NEW CL A	01/20/16	08/02/13	105 34	91 48	13 86	Covered	P	
64 SHARES OF COMCAST CORP NEW CL A	01/20/16	01/02/15	3,370 83	3,645 06	(274 23)	Covered	P	
37 SHARES OF COMCAST CORP NEW CL A	11/11/16	08/02/13	2,453 53	1,692 36	761 17	Covered	P	08/02/13
41 SHARES OF COMCAST CORP NEW CL A	11/28/16	08/02/13	2,806 13	1,875 32	930 81	Covered	P	08/02/13
18 SHARES OF CVS CORP	08/12/16	07/30/14	1,747 94	1,257 18	490 76	Covered	P	
13 SHARES OF DANAHER CORPORATION	08/12/16	11/08/12	1,056 36	517 84	538 52	Covered	P	
7 SHARES OF DANAHER CORPORATION	08/12/16	06/18/13	568 81	341 76	227 05	Covered	P	
66 SHARES OF DICK'S SPORTING GOODS	03/03/16	03/18/14	2,842 67	3,774 90	(932 23)	Covered	P	
2 SHARES OF DICK'S SPORTING GOODS	03/03/16	03/18/14	86 14	114 44	(28 30)	Covered	P	
19 SHARES OF DICK'S SPORTING GOODS	03/03/16	04/11/14	818 35	996 01	(177 66)	Covered	P	
3 SHARES OF DICK'S SPORTING GOODS	04/29/16	04/11/14	137 54	157 26	(19 72)	Covered	P	
35 SHARES OF DICK'S SPORTING GOODS	04/29/16	07/30/14	1,604 67	1,531 95	72 72	Covered	P	
42 SHARES OF EATON CORP PLC	02/02/16	07/30/14	2,053 43	2,940 42	(886 99)	Covered	P	
36 SHARES OF EATON CORP PLC	02/02/16	10/30/14	1,760 09	2,378 00	(617 91)	Covered	P	
43 SHARES OF EATON CORP PLC	03/02/16	06/09/11	2,483 58	2,020 26	463 32	Covered	C	
14 SHARES OF EATON CORP PLC	03/02/16	08/02/13	808 61	924 69	(116 08)	Covered	P	
21 SHARES OF EATON CORP PLC	03/02/16	10/30/14	1,212 91	1,387 17	(174 26)	Covered	P	
46 SHARES OF EMC CORPORATION	05/13/16	08/22/11	1,253 87	953 04	300 83	Covered	P	
71 SHARES OF EMC CORPORATION	05/13/16	01/30/15	1,935 31	1,870 39	64 92	Covered	P	
12 SHARES OF EMC CORPORATION	05/19/16	12/23/04	330 26	175 24	155 02			
65 SHARES OF EMC CORPORATION	05/19/16	08/26/09	1,788 88	1,023 38	765 50			
26 SHARES OF EMC CORPORATION	05/19/16	08/22/11	715 56	538 68	176 88	Covered	P	
113 SHARES OF EMC CORPORATION	07/18/16	12/23/04	3,107 23	1,650 18	1,457 05			
58 SHARES OF EXPRESS SCRIPTS HLDG CO	03/22/16	02/20/13	3,915 88	3,318 22	597 66	Covered	P	
1 SHARES OF EXPRESS SCRIPTS HLDG CO	03/22/16	10/11/13	67 52	63 05	4 47	Covered	P	
50 SHARES OF EXPRESS SCRIPTS HLDG CO	04/22/16	02/20/13	3,682 28	2,860 53	821 75	Covered	P	
6 SHARES OF EXXON MOBIL CORP COM	08/12/16	07/30/14	526 54	554 05	(27 51)	Covered	P	
12 SHARES OF F5 NETWORKS INC	06/23/16	02/04/15	1,442 42	1,325 47	116 95	Covered	P	
3 SHARES OF F5 NETWORKS INC	07/19/16	10/24/12	361 96	283 19	78 77	Covered	P	
3 SHARES OF F5 NETWORKS INC	07/19/16	04/03/13	361 95	272 07	89 88	Covered	P	
2 SHARES OF F5 NETWORKS INC	07/19/16	05/01/14	241 31	213 46	27 85	Covered	P	
7 SHARES OF F5 NETWORKS INC	07/19/16	02/04/15	844 56	773 19	71 37	Covered	P	
1 SHARES OF F5 NETWORKS INC	08/12/16	04/03/13	124 98	90 69	34 29	Covered	P	
25 SHARES OF F5 NETWORKS INC	09/28/16	04/03/13	3,091 96	2,267 25	824 71	Covered	P	04/03/13
18 SHARES OF F5 NETWORKS INC	09/28/16	08/02/13	2,226 21	1,591 18	635 03	Covered	P	08/02/13
4 5 SHARES OF FORTIVE CORP	08/12/16	11/08/12	235 65	111 54	124 11	Covered	C	
3 5 SHARES OF FORTIVE CORP	08/12/16	06/18/13	183 29	106 33	76 96	Covered	C	
23 SHARES OF HALLIBURTON COMPANY	06/13/16	11/18/14	1,022 59	1,138 36	(115 77)	Covered	P	
21 SHARES OF HALLIBURTON COMPANY	07/07/16	05/15/12	919 23	647 75	271 48	Covered	P	
58 SHARES OF HALLIBURTON COMPANY	07/07/16	11/18/14	2,538 82	2,870 65	(331 83)	Covered	P	
16 SHARES OF HONEYWELL INTL INC COM	08/12/16	01/06/15	1,854 68	1,564 15	290 53	Covered	P	
5 SHARES OF INTERCONTINENTAL EXCHANGE GRP	08/12/16	03/27/14	1,392 32	994 83	397 49	Covered	P	
6 SHARES OF ISHARES NASDAQ BIOTECHNOLOGY INDEX FUND	08/18/16	11/26/14	1,748 81	1,810 36	(61 55)	Covered	P	
68 SHARES OF ISHARES US OIL%GAS EXPLORATION AND PRODUCTION ETF	04/04/16	09/24/14	3,494 50	6,035 85	(2,541 35)	Covered	P	
68 SHARES OF ISHARES US OIL%GAS EXPLORATION AND PRODUCTION ETF	07/11/16	09/24/14	3,805 24	6,035 85	(2,230 61)	Covered	P	
14 SHARES OF JOHNSON AND JOHNSON	08/10/16	01/05/15	1,726 11	1,457 38	268 73	Covered	P	
1 SHARES OF JOHNSON AND JOHNSON	11/02/16	01/05/15	114 92	104 10	10 82	Covered	P	01/05/15
12 SHARES OF JOHNSON AND JOHNSON	11/02/16	01/05/15	1,379 00	1,246 97	132 03	Covered	P	01/05/15
1 SHARES OF JOHNSON AND JOHNSON	11/02/16	04/21/15	114 92	100 50	14 42	Covered	P	04/21/15
30 SHARES OF JP MORGAN CHASE & CO	09/20/16	09/17/08	1,995 72	972 03	1,023 69			
17 SHARES OF JP MORGAN CHASE & CO	09/20/16	07/01/11	1,130 91	634 17	496 74	Covered	P	
16 SHARES OF LOWES COMPANIES INC	08/12/16	07/02/15	1,303 49	1,071 60	231 89	Covered	P	
66 SHARES OF METLIFE INC	12/02/16	02/20/14	3,663 63	3,360 25	303 38	Covered	P	02/20/14
2 SHARES OF METLIFE INC	12/02/16	02/21/14	111 02	101 82	9 20	Covered	P	02/21/14
39 SHARES OF METLIFE INC	12/16/16	02/21/14	2,120 52	1,984 57	135 95	Covered	P	02/21/14
60 SHARES OF METLIFE INC	12/16/16	02/21/14	3,262 33	3,054 46	207 87	Covered	P	02/21/14
83 SHARES OF MONDELEZ INTL INC	02/02/16	07/30/14	3,483 10	3,080 96	402 14	Covered	P	
20 SHARES OF MONSANTO COMPANY	01/07/16	07/03/12	1,867 96	1,675 13	192 83	Covered	P	
5 SHARES OF MONSANTO COMPANY	01/07/16	07/30/14	466 99	573 05	(106 06)	Covered	P	
5 SHARES OF MONSANTO COMPANY	05/12/16	07/03/12	489 59	418 78	70 81	Covered	P	
12 SHARES OF MONSANTO COMPANY	05/12/16	04/23/15	1,175 02	1,412 30	(237 28)	Covered	P	
6 SHARES OF NIKE INC CL B	08/12/16	07/30/14	338 39	239 07	99 32	Covered	P	
8 SHARES OF NIKE INC CL B	11/18/16	09/22/11	408 11	166 59	241 52	Covered	P	09/22/11
58 SHARES OF NIKE INC CL B	11/18/16	07/30/14	2,958 77	2,311 01	647 76	Covered	P	07/30/14
42 SHARES OF NORDSTROM INC	02/17/16	12/24/13	2,196 21	2,591 27	(395 06)	Covered	P	
4 SHARES OF NORDSTROM INC	02/17/16	07/30/14	209 17	281 16	(71 99)	Covered	P	
63 SHARES OF ORACLE CORPORATION	08/12/16	07/30/14	2,584 84	2,315 17	269 67	Covered	P	
59 SHARES OF PFIZER INC	05/04/16	04/09/13	1,969 74	1,727 60	242 14	Covered	P	
20 SHARES OF PFIZER INC	05/04/16	07/30/14	667 71	586 20	81 51	Covered	P	
14 SHARES OF PFIZER INC	08/12/16	04/09/13	487 18	409 94	77 24	Covered	P	
34 SHARES OF PHILIP MORRIS	02/12/16	03/24/75	3,017 22	9 64	3,007 58			
1 SHARES OF PHILIP MORRIS	02/12/16	07/30/14	88 74	74 82	13 92	Covered	P	
9 SHARES OF PHILIP MORRIS	08/12/16	03/24/75	891 79	2 55	889 24			
19 SHARES OF PRAXAIR INC	01/27/16	12/09/05	1,859 14	904 68	954 46			
7 SHARES OF PRAXAIR INC	01/27/16	07/30/14	684 94	811 85	(126 91)	Covered	P	
38 SHARES OF PRAXAIR INC	03/14/16	12/09/05	4,175 75	1,809 37	2,366 38			
4 SHARES OF PRICELINE COM INC	08/04/16	09/16/14	5,398 76	4,717 23	681 53	Covered	P	
1 SHARES OF PRICELINE COM INC	08/04/16	01/02/15	1,349 69	1,140 07	209 62	Covered	P	
4 SHARES OF PRUDENTIAL FINANCIAL INC	12/02/16	10/28/09	403 33	161 67	241 66			10/28/09
30 SHARES OF PRUDENTIAL FINANCIAL INC	12/02/16	08/30/11	3,024 94	1,321 18	1,703 76	Covered	P	08/30/11
26 SHARES OF QUALCOMM CORPORATION	08/12/16	07/30/14	1,600 26	1,977 82	(377 56)	Covered	P	
2 SHARES OF QUALCOMM CORPORATION	12/01/16	05/06/13	129 85	127 87	1 98	Covered	P	05/06/13

69 SHARES OF QUALCOMM CORPORATION	12/01/16	07/30/14	4,479 66	5,248 83	(769 17)	Covered	P	07/30/14
25 SHARES OF QUALCOMM CORPORATION	12/01/16	06/29/15	1,623 06	1,574 85	48 21	Covered	P	06/29/15
2 SHARES OF QUALCOMM CORPORATION	12/01/16	07/09/15	129 85	124 76	5 09	Covered	P	07/09/15
1 SHARES OF SCHLUMBERGER LIMITED	08/12/16	01/24/12	81 09	74 51	6 58	Covered	P	
7 SHARES OF SCHLUMBERGER LIMITED	08/12/16	02/20/14	567 62	635 39	(67 77)	Covered	P	
32 SHARES OF SELECT SECTOR SPDR TR UTILITIES	06/10/16	02/20/15	1,610 44	1,451 85	158 59	Covered	P	
50 SHARES OF SELECT SECTOR SPDR TR UTILITIES	08/12/16	02/20/15	2,541 98	2,268 51	273 47	Covered	P	
12 SHARES OF SPDR TR UNIT SER 1	01/08/16	06/05/13	2,312 14	1,940 27	371 87	Covered	P	
72 SHARES OF SPDR TR UNIT SER 1	07/15/16	06/05/13	15,519 59	11,641 63	3,877 96	Covered	P	
16 SHARES OF SPDR TR UNIT SER 1	07/15/16	03/05/15	3,448 80	3,368 88	79 92	Covered	P	
10 SHARES OF SPDR TR UNIT SER 1	07/15/16	03/09/15	2,155 50	2,080 40	75 10	Covered	P	
35 SHARES OF SPDR TR UNIT SER 1	08/12/16	06/05/13	7,639 28	5,659 13	1,980 15	Covered	P	
11 SHARES OF SPDR TR UNIT SER 1	11/30/16	06/05/13	2,435 24	1,778 58	656 66	Covered	P	06/05/13
35 SHARES OF SPDR TR UNIT SER 1	11/30/16	11/24/15	7,748 48	7,314 39	434 09	Covered	P	11/24/15
5 SHARES OF SPDR TR UNIT SER 1	12/01/16	06/05/13	1,095 88	808 45	287 43	Covered	P	06/05/13
35 SHARES OF STARWOOD HOTELS & RESORTS	02/24/16	06/18/13	2,329 20	2,350 17	(20 97)	Covered	P	
4 SHARES OF STARWOOD HOTELS & RESORTS	02/24/16	08/02/13	266 19	272 96	(6 77)	Covered	P	
48 SHARES OF STARWOOD HOTELS & RESORTS	02/24/16	07/30/14	3,194 33	3,781 88	(587 55)	Covered	P	
41 SHARES OF STATE STREET CORP	08/03/16	10/28/09	2,694 40	1,765 26	929 14			
51 SHARES OF STATE STREET CORP	12/12/16	10/28/09	4,085 51	2,195 80	1,889 71			10/28/09
77 SHARES OF TWENTY-FIRST CENTURY FOX INC	09/08/16	06/10/15	1,885 12	2,558 46	(673 34)	Covered	P	
83 SHARES OF TWENTY-FIRST CENTURY FOX INC	11/02/16	06/10/15	2,138 34	2,757 83	(619 49)	Covered	P	06/10/15
51 SHARES OF UNITED HEALTH GROUP INC	11/22/16	10/10/11	7,764 59	2,355 17	5,409 42	Covered	P	10/10/11
18 SHARES OF US BANCORP DEL COM NEW	08/12/16	07/30/14	767 14	774 18	(7 04)	Covered	P	
16 SHARES OF VANGUARD REIT ETF	08/12/16	03/19/15	1,440 92	1,361 63	79 29	Covered	P	
6 SHARES OF VANGUARD REIT ETF	09/08/16	07/30/14	537 59	456 66	80 93	Covered	P	
3 SHARES OF VANGUARD REIT ETF	09/08/16	03/19/15	268 80	255 31	13 49	Covered	P	
24 SHARES OF VANGUARD REIT ETF	09/08/16	05/12/15	2,150 36	1,905 10	245 26	Covered	P	
1 658 SHARES OF VANGUARD REIT INDEX ADMIRAL FUND #5123 INDEX FUND	06/28/16	10/01/14	203 67	169 02	34 65	Covered	P	
13 687 SHARES OF VANGUARD REIT INDEX ADMIRAL FUND #5123 INDEX FUND	06/28/16	06/11/15	1,681 33	1,505 00	176 33	Covered	P	
176 144 SHARES OF VANGUARD REIT INDEX ADMIRAL FUND #5123 INDEX FUND	07/08/16	10/01/14	22,417 85	17,956 09	4,461 76	Covered	P	
22 SHARES OF VERIZON COMMUNICATIONS	04/04/16	06/27/14	1,190 76	967 06	223 70	Covered	P	
25 SHARES OF VERIZON COMMUNICATIONS	04/04/16	07/30/14	1,353 14	1,159 87	193 27	Covered	P	
11 SHARES OF VERIZON COMMUNICATIONS	04/04/16	01/05/15	595 38	460 45	134 93	Covered	P	
17 SHARES OF VERIZON COMMUNICATIONS	04/04/16	01/05/15	920 13	711 65	208 48	Covered	P	
8 SHARES OF VERIZON COMMUNICATIONS	08/12/16	09/27/11	428 00	265 51	162 49	Covered	P	
13 SHARES OF VERIZON COMMUNICATIONS	08/12/16	01/05/15	695 49	544 16	151 33	Covered	P	
5 SHARES OF VISA INC	08/12/16	05/01/14	399 44	258 12	141 32	Covered	P	
23 SHARES OF WALT DISNEY COMPANY	01/20/16	01/06/15	2,093 52	1,892 31	201 21	Covered	P	
18 SHARES OF WELLS FARGO & COMPANY	08/12/16	07/30/14	861 10	842 04	19 06	Covered	P	
15 SHARES OF ZIMMER HOLDINGS INC	08/18/16	06/26/15	1,916 28	1,704 79	211 49	Covered	P	
TOTAL GAIN FROM PARTNERSHIPS S CORPORATIONS OR OTHER FIDUCIARIES			137 05	-	137 05			
** TOTAL LONG TERM CAPITAL GAIN (LOSS)			298,848 76	252,009 14	46,839 62			

** LONG TERM CAPITAL GAINS DIVIDENDS

990 239 BASIS 1,384 89

** TOTAL LONG TERM CAPITAL GAINS DIVIDENDS - - 1,384 89

SUMMARY

** SUMMARY OF CAPITAL GAINS AND LOSSES **

	Amount
TOTAL SHORT TERM CAPITAL GAIN (LOSS)	(2,411)
TOTAL LONG TERM CAPITAL GAIN (LOSS)	46,840
TOTAL LONG TERM CAPITAL GAINS DIVIDENDS	1,385
NET LONG TERM CAPITAL GAIN (LOSS)	48,225
NET CAPITAL GAIN (LOSS)	45,813

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

		282	0	0	0
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
1	Alerus Financial	282			0

Part I, Line 16c (990-PF) - Other Professional Fees

		2,717	2,717	0	0
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
1	ALERUS FINANCIAL	2,717	2,717		0

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

		774	0	0	0
Description		Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1	2016 Estimated Tax Payments	774			

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

		830,691		826,074		992,757		1,003,637
		Book Value		Book Value		FMV		FMV
		Beg. of Year		End of Year		Beg. of Year		End of Year
Description		Num Shares/ Face Value						
1	See attached schedule US Equity			650,852		820,246		834,181
2	See attached schedule - International Equity			179,839		172,511		169,456

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

		335,958		336,813		333,161		334,096	
		Book Value		Book Value		FMV		FMV	
		Beg. of Year		End of Year		Beg. of Year		End of Year	
Description		Maturity Date		Interest Rate					
1	CTF-B					335,958		336,813	
								333,161	
								334,096	

Leo C. Parent Scholarship Trust II

12/31/16

#26-6312571

Description	Book Value	FMV
Cash		
Federated	20,401	20,401
Deposits in Transit	2,153	2,153
Total Cash & Temporary Investments	22,555	22,555
Taxable Bonds:		
CTF B	336,813	334,096
Equities: (orginal)		
AT&T INC (300)	8,281	11,951
GOOGLE INC (5) (ALPHABET INC CLASS A)	17,116	26,943
AMERICAN EXPRESS COMPANY (35)	7,399	8,149
AMERISOURCEBERGEN CORP	6,347	6,255
APPLE COMPUTER (15)	21,429	36,599
BECTON DICKINSON & COMPANY (50)	3,362	7,615
Berkshire Hathaway "B"	10,942	17,765
BOEING COMPANY (190)	7,358	12,766
CVS CORP (60)	13,577	15,466
CELGENE CORP	5,589	7,524
CHEVRONTEXACO CORP COM (35)	8,111	8,357
CISCO SYSTEMS (6/25/10, 6/30/10) (90)	5,283	8,462
Citigroup	8,612	10,103
Coca Cola Company	8,568	9,121
COGNIZANT TECH SOLUTIONS CORP (50)	7,998	9,301
Comcast Corp	5,750	11,462
DEMENSIONAL US SMALL CAP VALUE (1437.830)	22,351	37,025
Danaher Corporation	4,262	6,928
WALT DISNEY COMPANY (210)	8,012	12,611
EXXON MOBIL CORP COM (110)	14,152	16,788
FACEBOOK	14,814	17,488
FORTIVE CORP	2,433	3,593
GENERAL ELECTRIC COMPANY (720)	9,728	19,687
Honeywell Int'l	8,187	14,365
INTERCONTINENTAL EXCHANGE GRP	5,151	7,335
ISHARES RUSSELL MIDCAP INDEX Total	44,530	46,325
ISHARES - NASDAQ BIOTECH	12,687	16,188
JP MORGAN CHASE & CO (80)	4,893	12,081
Johnson & Johnson	13,394	18,549
JP MORGAN MULTI MNGR ALTERNATIVE SELECT	43,137	43,426
LOWES COMPANIES	16,191	17,496

MARRIOTT INTERNATIONAL INC	4,188	5,209
MASCO CORP	4,905	4,996
MCKESSON HBOC INC COM Total	3,554	2,528
Mondelez Int'l exchange Kraft	6,043	7,093
ORACLE CORPORATION (280)	7,491	10,112
PAYPAL HLDGS INC	6,831	6,907
PEPSICO INC (45)	8,495	12,032
Pfizer	7,039	7,698
PHILIP MORRIS (590)	1,658	6,679
Priceline Com	8,964	11,728
PROCTER & GAMBLE CO (45)	6,993	8,660
PRUDENTIAL FINANCIAL INC (55)	2,772	5,307
Qualcom	3,641	4,303
SPDR TR SER 1	30,897	33,530
SPDR HOMEBUILDERS EFT	8,174	8,429
Schlumberger Limited	3,238	3,694
SELECT SECTOR SPRT TR	3,031	3,081
SELECT SECTOR SPDR TR ENERGY	17,876	18,905
SELECT SECTOR SPDR Health (XLU)	16,144	20,594
SHIRE PLC	7,084	6,474
STARBUCKS CORP	4,135	5,941
US Bancorp Del Com New	5,578	7,808
UNITED HEALTH GROUP	5,678	8,162
VANGUARD REIT INDEX ADMIRAL FUND	11,550	11,903
VANGUARD SMALL CAP GROWTH	14,900	23,555
Vanguard REIT ETF	15,657	18,157
VERIZON COMMUNICATIONS (75)	7,746	10,943
VISA INC	8,273	11,937
WELLS FARGO & COMPANY (450)	11,901	18,131
ZIMMER HOLDINGS INC	7,589	7,327
ALLERGAN PLC	13,454	10,501
ACCENTURE PLC	3,170	7,496
MYLAN NV	8,164	6,638
TOTAL DOMESTIC EQUITY	646,454	834,181
CTF-INTERNATIONAL (13506.478)	179,620	169,456
TOTAL INTERNATIONAL EQUITY		
Total Equity	826,074	1,003,637
TOTAL	1,185,442	1,360,288

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

Name		Check "X" if Business	Street	City	State	Zip Code	Foreign Country	Title	Ag/Hrs Per Week	Compensation	Benefits	Expense Account
1	Alexis Financial	X	2300 S Columbia Rd	Grand Forks	ND	58201		Trustee	100	11,636		
										11,636		