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EXTENDED TO NOVEMBER 15, 2018

Return of Private Foundation

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

Do not enter social security numbers on this form as it may be made public.

Go to www.irs.gov/Form990PF for instructions and the latest information.

OMB No 1545-0052

2017

Open to Public Inspection

Form 990-PF

Department of the Treasury
Internal Revenue Service

For calendar year 2017 or tax year beginning

, and ending

Name of foundation THE MARK E. AND MARY A. DAVIS FOUNDATION		A Employer identification number 32-6369521
Number and street (or P.O. box number if mail is not delivered to street address) 805 ENTERPRISE DRIVE EAST	Room/suite	B Telephone number 952-873-5497
City or town, state or province, country, and ZIP or foreign postal code BELLE PLAINE, MN 56011		C If exemption application is pending, check here <input type="checkbox"/>
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		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 25,532,363.	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

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		67,669.	97,864.		STATEMENT 1
4 Dividends and interest from securities		731,585.	655,937.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		120,766.			
b Gross sales price for all assets on line 6a 5,462,889.					
7 Capital gain net income (from Part IV, line 2)			120,766.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income					
12 Total. Add lines 1 through 11		920,020.	874,567.		
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		11,000.	5,500.		5,500.
c Other professional fees STMT 4		120,000.	120,000.		0.
17 Interest					
18 Taxes STMT 5		19,330.	19,330.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 6		24,391.	24,391.		0.
24 Total operating and administrative expenses. Add lines 13 through 23		174,721.	169,221.		5,500.
25 Contributions, gifts, grants paid		1,637,508.			1,637,508.
26 Total expenses and disbursements. Add lines 24 and 25		1,812,229.	169,221.		1,643,008.
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements		-892,209.			
b Net investment income (if negative, enter -0-)			705,346.		
c Adjusted net income (if negative, enter -0-)				N/A	

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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
Assets	1 Cash - non-interest-bearing	651,963.	464,443.	464,443.
	2 Savings and temporary cash investments			
	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	6,500.		
	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			
	b Investments - corporate stock STMT 8	11,660,270.	11,166,844.	14,671,897.
	c Investments - corporate bonds STMT 9	7,119,494.	6,348,887.	6,346,476.
	11 Investments - land, buildings, and equipment basis ▶			
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other STMT 10	3,822,360.	4,108,326.	4,049,547.	
14 Land, buildings, and equipment basis ▶				
Less: accumulated depreciation ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	23,260,587.	22,088,500.	25,532,363.	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
22 Other liabilities (describe ▶)				
23 Total liabilities (add lines 17 through 22)	0.	0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26, and lines 30 and 31. <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	23,260,587.	22,088,500.	
30 Total net assets or fund balances	23,260,587.	22,088,500.		
31 Total liabilities and net assets/fund balances	23,260,587.	22,088,500.		

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	23,260,587.
2 Enter amount from Part I, line 27a	2	-892,209.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	22,368,378.
5 Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 7	5	279,878.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	22,088,500.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (for example, 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 CAPITAL GAINS DIVIDENDS	D	VARIOUS	12/31/17
b PUBLICLY TRADED SECURITIES	D	VARIOUS	12/31/17
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 181,931.			181,931.
b 5,280,958.		5,342,123.	-61,165.
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) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			181,931.
b			-61,165.
c			
d			
e			

2 Capital gain net income or (net capital loss) $\left\{ \begin{array}{l} \text{If gain, also enter in Part I, line 7} \\ \text{If (loss), enter -0- in Part I, line 7} \end{array} \right\}$	2	120,766.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6). If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	3	N/A

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

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

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

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

☐ Yes ☒ No

If "Yes," the foundation doesn't 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))
2016	1,537,793.	22,973,263.	.066938
2015	1,365,347.	24,071,961.	.056719
2014	0.	2,756,440.	.000000
2013			
2012			

2 Total of line 1, column (d)	2	.123657
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5.0, or by the number of years the foundation has been in existence if less than 5 years	3	.041219
4 Enter the net value of noncharitable-use assets for 2017 from Part X, line 5	4	24,287,234.
5 Multiply line 4 by line 3	5	1,001,095.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	7,053.
7 Add lines 5 and 6	7	1,008,148.
8 Enter qualifying distributions from Part XII, line 4	8	1,643,008.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> 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 <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1 7,053.
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 7,053.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only; others, enter -0-)		4 0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5 7,053.
6 Credits/Payments		
a 2017 estimated tax payments and 2016 overpayment credited to 2017	6a 10,190.	
b Exempt foreign organizations - tax withheld at source	6b 0.	
c Tax paid with application for extension of time to file (Form 8868)	6c 0.	
d Backup withholding erroneously withheld	6d 0.	
7 Total credits and payments. Add lines 6a through 6d	7 10,190.	
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8 0.	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10 3,137.	
11 Enter the amount of line 10 to be: Credited to 2018 estimated tax <input checked="" type="checkbox"/> 3,137. Refunded <input checked="" type="checkbox"/>	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 the instructions for the definition. 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.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation. <input checked="" type="checkbox"/> \$ 0. (2) On foundation managers. <input checked="" type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input checked="" type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.	2	X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3	X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	X
b If "Yes," has it filed a tax return on Form 990-T for this year?	4b	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T	5	X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	7	X
8a Enter the states to which the foundation reports or with which it is registered. See instructions. <input checked="" type="checkbox"/> MN		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	8b	X
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2017 or the tax year beginning in 2017? See the instructions for Part XIV. If "Yes," complete Part XIV	9	X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10	X

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		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		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	X	
Website address N/A		
14 The books are in care of JIM WARD Telephone no. 952-873-5497		
Located at 805 ENTERPRISE DRIVE EAST, SUITE H, BELLE PLAINE, ZIP+4 56011		
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	<input type="checkbox"/> 15 N/A	
16 At any time during calendar year 2017, 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?	Yes	No
See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country	16	X

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

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

	Yes	No
1a During the year, did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance? See instructions. Organizations relying on a current notice regarding disaster assistance, check here	N/A <input type="checkbox"/>	
1b		
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 2017?		X
1c		
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 2017, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2017?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If "Yes," list the years		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)	N/A	
2b		
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If "Yes," did it have excess business holdings in 2017 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 2017.)	N/A	
3b		
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		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 2017?		X
4b		

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 ☒ Nob If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance? See instructions
Organizations relying on a current notice regarding disaster assistance, check here

N/A

☒

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ Nob Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?
If "Yes" to 6b, file Form 8870.

6b

X

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?

N/A

7b

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1** List all officers, directors, trustees, and 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
MARK E. DAVIS	TRUSTEE			
37045 HIGHWAY 169 P.O. BOX 558				
ST. PETER, MN 56082	1.00	0.	0.	0.
MARY A. DAVIS	TRUSTEE			
37045 HIGHWAY 169 P.O. BOX 558				
ST. PETER, MN 56082	1.00	0.	0.	0.

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

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

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

0

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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
NONE		

Total number of others receiving over \$50,000 for professional services

0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	24,126,608.
b	Average of monthly cash balances	1b	530,482.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	24,657,090.
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	24,657,090.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	369,856.
5	Net value of noncharitable use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	24,287,234.
6	Minimum investment return. Enter 5% of line 5	6	1,214,362.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations, check here ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	1,214,362.
2a	Tax on investment income for 2017 from Part VI, line 5	2a	7,053.
b	Income tax for 2017. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	7,053.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,207,309.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	1,207,309.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	1,207,309.

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	1,643,008.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,643,008.
5	Foundations that qualify under section 4910(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	7,053.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,635,955.

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 2016	(c) 2016	(d) 2017
1 Distributable amount for 2017 from Part XI, line 7				1,207,309.
2 Undistributed income, if any, as of the end of 2017				
a Enter amount for 2016 only			0.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2017.				
a From 2012				
b From 2013				
c From 2014				
d From 2015				177,299.
e From 2016				403,044.
f Total of lines 3a through e	580,343.			
4 Qualifying distributions for 2017 from Part XII, line 4: ► \$ 1,643,008.				
a Applied to 2016, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2017 distributable amount				1,207,309.
e Remaining amount distributed out of corpus	435,699.			
5 Excess distributions carryover applied to 2017 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	1,016,042.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2016. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2017. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2018				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 2012 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2018. Subtract lines 7 and 8 from line 6a	1,016,042.			
10 Analysis of line 9				
a Excess from 2013				
b Excess from 2014				
c Excess from 2015				177,299.
d Excess from 2016				403,044.
e Excess from 2017				435,699.

N/A

- ☐ 4942(j)(3) or ☐ 4942(j)(5)

- (4) Gross investment income

[illegible]

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

Part XV **Supplementary Information** *(continued)***3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a <i>Paid during the year</i>				
SEE STATEMENT D				1,637,508.
Total			▶ 3a	1,637,508.
b <i>Approved for future payment</i>				
NONE				
Total			▶ 3b	0.



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

- | | | Yes | No |
|----------|---|--------------|----------|
| 1 | Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c)(other than section 501(c)(3) organizations) or in section 527, relating to political organizations? | | |
| a | Transfers from the reporting foundation to a noncharitable exempt organization of: | | |
| | (1) Cash | 1a(1) | X |
| | (2) Other assets | 1a(2) | X |
| b | Other transactions | | |
| | (1) Sales of assets to a noncharitable exempt organization | 1b(1) | X |
| | (2) Purchases of assets from a noncharitable exempt organization | 1b(2) | X |
| | (3) Rental of facilities, equipment, or other assets | 1b(3) | X |
| | (4) Reimbursement arrangements | 1b(4) | X |
| | (5) Loans or loan guarantees | 1b(5) | X |
| | (6) Performance of services or membership or fundraising solicitations | 1b(6) | X |
| c | Sharing of facilities, equipment, mailing lists, other assets, or paid employees | 1c | X |
| d | If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received | | |

[illegible]

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

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

Sign Here	<p>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.</p>			<div style="border: 1px solid black; padding: 5px;"> <p>May the IRS discuss this return with the preparer shown below? See instr.</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> </div>
	<p></p> <p>_____ Signature of officer or trustee</p>	<p>11/15/18 _____ Date</p>	<p></p> <p>_____ Title</p>	

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed	PTIN
	BRIAN WILKINS	<i>Brian Wilkins</i>	11/14/18		P01610100
	Firm's name ▶ DELOITTE TAX LLP			Firm's EIN ▶ 86-1065772	
	Firm's address ▶ 50 SOUTH SIXTH STREET, STE 2800 MINNEAPOLIS, MN 55402			Phone no. 612-397-4000	

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
JP MORGAN	67,669.	97,864.	
TOTAL TO PART I, LINE 3	67,669.	97,864.	

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
JP MORGAN	726,251.	0.	726,251.	655,937.	
JP MORGAN - TAX EXEMPT	5,334.	0.	5,334.	0.	
TO PART I, LINE 4	731,585.	0.	731,585.	655,937.	

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
DELOITTE	11,000.	5,500.		5,500.
TO FORM 990-PF, PG 1, LN 16B	11,000.	5,500.		5,500.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
SIT INVESTMENT FEES	120,000.	120,000.		0.
TO FORM 990-PF, PG 1, LN 16C	120,000.	120,000.		0.

FORM 990-PF	TAXES		STATEMENT 5	
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
JP MORGAN FOREIGN TAX	19,330.	19,330.		0.
TO FORM 990-PF, PG 1, LN 18	19,330.	19,330.		0.

FORM 990-PF	OTHER EXPENSES		STATEMENT 6	
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
JP MORGAN FEES	21,442.	21,442.		0.
JP MORGAN ADDITIONAL EXPENSES	2,949.	2,949.		0.
TO FORM 990-PF, PG 1, LN 23	24,391.	24,391.		0.

FORM 990-PF	OTHER DECREASES IN NET ASSETS OR FUND BALANCES	STATEMENT 7
DESCRIPTION		AMOUNT
ADJUSTMENTS FROM BOOK BASIS TO TAX BASIS		279,878.
TOTAL TO FORM 990-PF, PART III, LINE 5		279,878.

FORM 990-PF	CORPORATE STOCK		STATEMENT 8
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE	
JP MORGAN EQUITIES (SEE STATEMENT A)	11,166,844.	14,671,897.	
TOTAL TO FORM 990-PF, PART II, LINE 10B	11,166,844.	14,671,897.	

FORM 990-PF	CORPORATE BONDS	STATEMENT 9
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
JP MORGAN FIXED INCOME (SEE STATEMENT C)	6,348,887.	6,346,476.
TOTAL TO FORM 990-PF, PART II, LINE 10C	6,348,887.	6,346,476.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT 10	
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
SIT SMALL CAP GROWTH FUND	COST	2,687,084.	2,482,224.
SIT DEV MARKETS GROWTH FUND	COST	1,100,114.	1,237,334.
JP MORGAN ALTERNATIVE ASSETS (SEE STATEMENT B)	FMV	321,128.	329,989.
TOTAL TO FORM 990-PF, PART II, LINE 13		4,108,326.	4,049,547.

FORM 990-PF	PART XV - LINE 1A LIST OF FOUNDATION MANAGERS	STATEMENT 11
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NAME OF MANAGER

MARK E. DAVIS
MARY A. DAVIS

THE MARK E. AND MARY A. DAVIS FOUNDATION
32-6369521
FORM 990-PF, PART II - ATTACHMENT

JP MORGAN EQUITIES

	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
ABBOTT LABORATORIES	-	157,581	206,879
ABBVIE INC	176,129	185,553	316,725
ALLSTATE CORP	133,429	-	-
ALPHABET INC/CA-CL A	151,181	165,381	237,015
APPLE INC	335,034	316,000	503,459
APPLIED MATERIALS INC	97,213	56,870	143,136
ARTHUR J GALLAGHER & CO	105,614	91,722	142,380
CARDINAL HEALTH INC	177,310	-	-
CENTERPOINT ENERGY INC	121,838	83,136	104,932
CENTURYLINK INC	-	149,705	95,076
DELTA AIR LINES INC	215,383	200,167	249,200
DOMTAR CORP	-	103,285	133,704
DOWDUPONT INC	-	167,741	229,685
DOW CHEMICAL CO	123,384	-	-
GENERAL ELECTRIC CO	130,745	-	-
GENUINE PARTS CO	135,273	-	-
GILEAD SCIENCES INC	188,652	-	-
HOME DEPOT INC	169,194	147,350	269,133
HONEYWELL INTERNATIONAL INC	233,235	195,353	314,388
INTEL CORP	205,280	173,263	241,186
INTERNATIONAL PAPER CO	87,096	97,623	147,747
JOHNSON & JOHNSON	264,844	355,475	454,090
JP MORGAN CHASE & CO	241,280	249,178	465,189
KEYCORP	133,035	144,050	231,451
KIMBERLY-CLARK CORP	141,410	-	-
LOCKHEED MARTIN CORP	164,963	148,354	248,814
MACQUARIE INFRASTRUCTURE COR	168,790	178,820	166,920
MARATHON PETROLEUM CORP	112,953	142,167	224,332
MICROSOFT CORP	344,539	318,759	613,750
NEXTERA ENERGY INC	182,423	147,667	222,571
OCCIDENTAL PETROLEUM CORP	245,825	206,678	204,407
PARKER-HANNIFIN CORP	-	138,970	174,633
PEPSICO INC	307,471	321,707	395,736
PFIZER INC	329,328	349,019	382,121
PHILIP MORRIS INTERNATIONAL	-	74,250	68,673
PRUDENTIAL FINANCIAL INC	124,955	124,955	181,094
ROCKWELL AUTOMATION INC	-	138,270	176,715
SCHLUMBERGER LTD	200,985	-	-
SCOTTS MIRACLE-GRO CO-CL A	-	140,625	171,184
SNAP-ON INC	82,057	-	-
STARBUCKS CORP	156,462	206,143	267,050
T ROWE PRICE GROUP INC	-	243,522	348,892
THE KRAFT HEINZ CO	-	169,219	149,688
TARGET CORP	126,802	-	-
TJX COMPANIES INC	185,863	-	-
UNION PACIFIC CORP	230,466	201,025	268,200
UNITED PARCEL SERVICES INC	119,705	119,705	145,959
UNITED TECHNOLOGIES CORP	149,118	128,659	175,409
US BANKCORP DEL	-	206,320	216,999
VERIZON COMMUNICATIONS INC	360,778	361,792	408,884
WEC ENERGY GROUP, INC	168,019	168,019	225,862
3M CO	186,649	156,554	228,309
ACCENTURE PLC-CL A	128,472	128,472	218,153
ALLIANZ SE-SPON ADR	135,180	135,180	192,906
AMCOR LTD	-	134,527	146,461
ANHEUSER BUSCH INBEV SA/NV	202,136	212,735	211,964
BCE INC	270,899	210,138	226,847
BROADCOM LTD	125,738	84,189	202,951
CHUBB LTD	136,058	104,988	146,130
DIAGEO PLC	277,944	266,065	346,821
HSBC HOLDINGS PLC	146,632	146,632	170,412
IBERDROLA S A	234,279	220,760	256,761
INDITEX-UNSPON ADR	-	140,079	125,424

THE MARK E. AND MARY A. DAVIS FOUNDATION
32-6369521
FORM 990-PF, PART II - ATTACHMENT

JP MORGAN EQUITIES

	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
ING GROEP NV	226,525	226,525	303,206
INGERSOLL-RAND PLC	-	101,213	113,717
INVESCO LTD	234,200		
LYONDELLBASELL INDU-CL A	143,421	143,421	190,302
MEDTRONIC PLC	277,085		
MITSUBISHI UFJ FINL-SPON ADR	162,008	123,890	150,489
NESTLE S A	247,815	207,412	247,164
NIelsen HOLDINGS PLC	105,626		
RELX NV	201,436	159,465	227,240
ROCHE HOLDINGS LTD	328,617		
SIEMENS AG	121,418	127,859	166,248
SUNCOR ENERGY INC	67,552	97,412	126,684
TRANSCANADA CORP	-	152,026	150,784
UNIBAILRODAMCO SE	138,680	138,680	135,729
VERMILION ENERGY INC	-	104,562	98,064
XL GROUP LTD	81,136	81,136	84,384
ZURICH INSURANCE GROUP ADR	152,703	133,659	142,927
WPP PLC-SPONSORED ADR	-	157,186	138,557

FORM 990-PF, STATEMENT A

11,660,270	11,168,844	14,671,897
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THE MARK E. AND MARY A. DAVIS FOUNDATION
32-6369521
FORM 990-PF, PART II - ATTACHMENT

JP MORGAN ALTERNATIVE ASSETS

CUBESMART
PHYSICIANS REALTY TRUST
BRIXMOR PROPERTY GROUP

BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
-	105,826	125,802
-	215,302	204,187
207,432	-	-
207,432	321,128	329,989

FORM 990-PF, STATEMENT B

THE MARK E. AND MARY A. DAVIS FOUNDATION
32-6369521
FORM 990-PF, PART II - ATTACHMENT

		BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
JP MORGAN FIXED INCOME	EATON VANCE SHORT DUR DIV IN	295,067	286,211	307,506
	MFS INTERMARKET INC TRUST I	-	-	-
	JOHN HANCOCK INCOME SECURITIES TRUST	182,753	152,409	158,242
	DEUTSCHE HIGH INCOME OPPORTU	-	59,880	60,080
	INSIGHT SELECT INCOME FUND	82,176	144,887	149,847
	MORGAN STANLEY INCOME SECS	68,826	110,460	111,752
	PUTNAM PREMIER INCOME TRUST	302,644	116,507	120,591
	PUTNAM MASTER INTERMEDIATE INCOME	302,535	247,220	245,684
	TCW STRATEGIC INCOME FUND INC	-	60,245	63,396
	BLACKROCK INCOME TRUST	317,657	224,386	212,402
	BLACKROCK CORE BOND TRUST	240,723	201,916	207,792
	BLACKROCK CREDIT ALLOCATION	331,236	329,830	337,555
	BLACKROCK ENHANCED GOVT FD	131,504	129,182	126,027
	FRANKLIN LIMITED DURATION IN	259,897	110,878	102,578
	BLACKROCK BUILD AMERICA BOND	25,871	-	-
	FIRST TRUST MORTGAGE INCOME	161,103	156,905	161,376
	EATON VANCE LTD DURATION FD	259,661	257,651	253,890
	INVESCO BOND FD	94,930	125,933	133,283
	INVESCO TRUST FOR INVESTMENT	13,988	24,360	23,724
	NUVEEN ENHANCED QUALITY	41,174	52,137	49,969
	NUVEEN ADV MUNI INC FD	26,044	26,044	26,248
	NUVEEN QUAL PFD INC FD	24,769	-	-
	NUVEEN MTG OPPORTUNITY TERM	55,565	55,565	59,256
	NUVEEN MORT OPP TERM FD 2	43,701	43,701	46,554
	NUVEEN MULTI-MKT INC FD	168,235	168,235	169,012
	NUVEEN H-I DEC 18 TGT TRM FD	-	37,149	36,667
	NUVEEN BLD AMER BOND FD	17,555	-	-
	NUVEEN BLD AMER BOND OPP FD	117,821	117,821	127,651
	WA/CLAY US INFL-LDK SEC	48,358	53,952	55,413
	WA/CLAY US INFL-LDK OPP	55,744	53,582	54,816
	GUGGEBHEIM BUILD AMERICA BON	62,415	62,415	65,917
	WELLS FARGO MULTI-SECTOR INCOME FUND	90,223	60,045	60,037
	MFS CHARTER INCOME TRUST	87,699	75,837	76,320
	MFS INTERMEDIATE INC TRUST	279,819	308,222	293,737
	MFS MULTIMARKET INCOME TRUST	51,678	50,514	53,416
	MFS GOVT MARKETS INC TRUST	49,508	90,962	86,780
	DUFF & PHELPS UTIL & CORP BD	286,881	199,977	179,832
	WESTERN ASSET PREMIER BOND FUND	63,052	60,228	64,009
	FNMA 2001-28 CL PZ	202,786	163,327	157,671
	GNMA 2001-56 CL PH	204,542	175,368	170,322
	FHLMC 2411 CL ZE	200,015	168,777	162,116
	FNMA 735417 6 5% 01/01/35	203,948	165,542	159,806
	FHLMC GOLD G07990 7% 01/01/39	156,859	114,671	109,279
	FHLMC GOLD G07505 7% 02/01/39	171,239	130,059	132,109
	FNMA AL6607 6 5% 03/01/40	145,851	115,179	110,442
	GNMA REMIC 2015-72 CL W	220,982	177,543	173,949
	FANNIEMAE GRANTOR TRUST	224,123	172,122	168,932
	WESTERN ASSET EMERGING MARKET	51,148	67,463	73,583
	WESTERN ASSET VARIABLE RATE	172,970	171,429	186,641
	STRIP PRINC	333,519	385,627	372,713
	WESTERN ASSET GL CORP DEF OP	13,544	13,544	14,400
	FIRST TRUST/ABERDEEN GLOBAL	-	47,979	48,564
	INVESCO DYNAMIC CREDIT OPP	-	25,011	24,591
		7,119,494	6,348,887	6,346,476

FORM 990-PF, STATEMENT C