

**MARBROOK  
FOUNDATION**

2008 ANNUAL REPORT



## History of the Marbook Foundation

Sheldon Brooks (1811–1883) came to Minnesota with his family in 1856 from Redfield, New York. He settled initially near Winona and entered the grain and grain elevator business. Later, in 1873, his three sons—Lester, Dwight and Anson—formed the Brooks Brothers partnership which soon expanded into the retail lumber business. These early lumber ventures vertically integrated and expanded rapidly in northern Minnesota. In 1901, the Brooks-Scanlon Lumber Company was incorporated and built the company's first major sawmill in Scanlon, Minnesota.

Dr. Dwight F. Brooks (1849–1930), the second of Sheldon's sons, became the principal builder of what became an extensive group of family-owned forest products companies in Minnesota, Louisiana, Florida, Oregon, and British Columbia, Canada.

Dr. Brooks also had three sons—Harry, Sheldon (Sam) and Edward—and they all became active in these family enterprises. Harry ran the Brooks-Scanlon operation in Bend, Oregon; Sam managed the Powell River Company in British Columbia; and Edward oversaw all operations from the companies' headquarters, which remained in Minneapolis, Minnesota.

Edward Brooks (1888–1954) was involved for his entire working life in Brooks-Scanlon and its affiliated companies, which grew and prospered through the first half of the 1900's. In 1920, Edward married Markell Conley, a union which produced four children over the following decade. Markell was a very community-minded person, and was extremely active in a volunteer capacity with many charitable causes in the Twin Cities.

Edward and Markell Brooks established Marbrook Foundation on November 1, 1948, as a vehicle through which to pursue their personal philanthropy. The founding Trustees were Edward Brooks, Edwin C. Austin, and Conley Brooks (the oldest son of Edward and Markell). Marbrook's organizing documents provided the Trustees with broad latitude in fulfilling their grantmaking responsibilities, specifying that the Foundation "shall be operated exclusively for religious, charitable, scientific, literary or educational purposes within the United States." The Trustees have interpreted these guidelines in different ways over the years, depending on their perspective of societal and community needs.

Upon Edward's death in 1954, the duties of Executive Director of the Foundation were assumed by Conley Brooks, who had joined Brooks-Scanlon following World War II. Under Conley's guidance, and with the active input of Markell, the activities of Marbrook Foundation began to expand. Significant assets were added to the Foundation by Markell in 1968 and then again upon her death in 1971, so that the Foundation's ability to increase its grantmaking budget was considerably enhanced.

From Marbrook's beginning, independent Trustees have had an important role in helping to oversee the Foundation's administration and grantmaking. The first independent Trustee at the Foundation's inception was Edwin C. Austin; he and later independent Trustees have made important contributions to Marbrook's progress. A record of the service of all Marbrook Trustees to date is shown below.

In 1975, Conley Brooks, Jr. joined the Board of Trustees. He became Executive Director of the Foundation in 1983 and served in this capacity until 2006 when the Marbrook Trustees appointed Julie Hara Executive Director and Conley Brooks, Jr. Chair of the Board. In December 2007, Conley Brooks stepped down from this position, while remaining a Trustee. The Board elected Julie Brooks Zelle as the new Chair. This transition was the result of the Trustees' decision that a rotating Chair of the Board would help encourage new leadership among Brooks family members.

In 1999, the Trustees of Marbrook decided to re-position the Foundation to reflect more accurately the diversity and philanthropic interests of the descendants of Edward and Markell Brooks, while retaining the spirit of the Foundation's original mission. The Board of Trustees was expanded to include only Family members representing the three living generations of Edward and Markell's family. Then, in 2001, the Trustees completed a facilitated planning process to refine the Foundation's mission and values for the new century and to prioritize the Foundation's areas of grantmaking focus. This process and its implementation are ongoing, as described in the accompanying letter from the Executive Director.

Over the past several years, Marbrook Foundation has experienced substantial renewed energy derived from the active participation of Brooks Family members. The Trustees and the Family as a whole are intent upon maintaining the philanthropic legacy established by Edward and Markell Brooks.

---

The Mission of Marbrook Foundation  
is to promote the values of the Brooks Family  
by making grants and focusing involvement  
in designated charitable areas and causes  
that reflect those values.

---

# Board of Trustees and Staff

## TRUSTEES OF MARBROOK FOUNDATION

### 1948 TO THE PRESENT

Edward Brooks	1948–1954
Edwin C. Austin	1948–1975
Conley Brooks	1948–Present
Markell C. Brooks	1955–1971
Kenneth N. Dayton	1972–1979
Robert L. Foote	1972–1980
John E. Andrus III	1975–1999
Conley Brooks, Jr.	1975–Present
William R. Humphrey, Jr.	1980–1999
Markell Brooks	1991–Present
Stephen B. Brooks	1999–Present
Markell Kiefer	1999–Present
Julie B. Zelle	1999–Present
Katherine M. Leighton	2005–Present

## BOARD OF TRUSTEES

Conley Brooks  
Conley Brooks, Jr.  
Markell Brooks  
Stephen B. Brooks  
Markell Kiefer  
Katherine M. Leighton  
Julie B. Zelle, Chair

### *Executive Director*

Julia S. Hara

# Letter from the Chair of the Board and The Executive Director

In 2008, the Trustees and staff of the Marbrook Foundation determined that the Foundation was ready for a new strategic planning process as part of our ongoing effort to respond effectively to the changing needs of our community. The last strategic plan was in 1999–2000, and under the leadership of our new Chair, Julie Zelle, we decided to reassess how Marbrook Foundation is serving the Twin Cities community

To kick off the 2008 strategic planning process, we spoke to a variety of nonprofit and foundation leaders in the Twin Cities to get a sense of the community’s emerging needs and to help us be more informed about the “state of the state.” Over the course of many engaging and educational interviews, the unmet concerns and needs of immigrants and refugees, or “new Americans,” emerged as a consistent theme.

At the June Marbrook Foundation meeting, after an enlightening discussion about immigration in Minnesota, the Trustees voted in favor of exploring immigration in greater depth, with an eye toward developing revised guidelines that could build on Marbrook’s tradition of serving the Twin Cities community in an innovative, responsive and effective manner.

Between June and December, the Foundation further researched immigration in Minnesota and spoke with many leaders working directly with immigrants and refugees. At its December meeting, the Marbrook Foundation voted to revise its guidelines to reflect a new focus on immigrants and refugees.

**Marbrook Foundation’s new guidelines reflect the Foundation’s belief that as the immigrant and refugee populations grow and become increasingly diverse, so does the potential for the enrichment, transformation, and economic vitality of our communities. Marbrook Foundation believes that addressing the opportunities and challenges that come with blending cultures, languages, and beliefs will help to revitalize our communities and contribute to our well being.**

**The following are Marbrook Foundation’s new guidelines, effective January 2009:**

Marbrook Foundation’s primary interest is in initiatives or organizations that create equal opportunity for immigrants and refugees in the Twin Cities metro area.

The Foundation will give priority to projects or organizations that address **at least one** of the following areas:

- English language instruction for immigrants and refugees
- Academic success for children of immigrants and refugees
- Initiatives working to create equal opportunity or to empower immigrants and refugees (e.g., affordable housing, job training, life skills)
- Cultural preservation for new Americans

- Integrating a body, mind and spirit approach to the well-being of immigrants and refugees, with a special interest in programs honoring the inherent spiritual and cultural richness of immigrant communities
- Arts organizations/projects that highlight cultural awareness or address social issues of immigrants and refugees
- Expanding access to healthy food for neighborhoods with a high concentration of immigrants and refugees
- Environmental justice and advocacy for neighborhoods with a high concentration of immigrants and refugees

**Marbrook Foundation does not fund:**

- start-up organizations
- programs for the elderly
- domestic abuse programs
- disease-related organizations
- homeless shelters
- food shelves
- conferences and events
- programs serving the physically or mentally disabled
- individuals or organizations which attempt to influence legislation or to intervene in any political campaign.

Please note that a small number of organizations are Marbrook Foundation “community sustaining grant” organizations and will not be affected by the change in guidelines. These organizations – the Minnesota Historical Society, the Guthrie Theater, the Minneapolis Institute of Arts, and the Minnesota Orchestral Association – will continue to receive general operating support from Marbrook. Also, the Foundation will continue to pay outstanding pledges regardless of whether the organizations fit Marbrook’s new guidelines.

We welcome your questions and encourage you to call Julie Hara at 612-752-1783 or email her at [jhara@marbrookfoundation.org](mailto:jhara@marbrookfoundation.org).

Julie Zelle  
Chair of the Board

Julie Hara  
Executive Director

## Summary of 2007–2008 Contributions and Long-Term Objectives

	2007 Actual Allocation		2008 Actual Allocation		Long-term objectives
Environment	\$127,000	20%	\$82,000	15%	20%
Education	\$108,000	17%	\$86,901	16%	20%
Body, Mind and Spirit	\$115,600	19%	\$88,000	16%	20%
The Arts	\$129,000	21%	\$126,000	24%	20%
Social Empowerment	\$125,000	20%	\$153,920	29%	20%
Health	\$20,000	3%	\$0	0%	0%
American Indian Family Empowerment Program	\$80,000		\$95,000		
Family Recommended Grants	\$133,000		\$121,000		
<b>TOTAL</b>	<b>\$836,600</b>	<b>100%</b>	<b>\$752,821</b>	<b>100%</b>	<b>100%</b>

## Summary of 2008 Grants & Commitments

### Environment

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
<b>Eco Education</b>				
St. Paul				
<i>Environmental education organization</i>				
Project support for the Model Schools in Urban Environmental Education Initiative		\$6,000	\$6,000	
<b>Friends of the Mississippi River</b>				
St. Paul				
<i>Works to protect and improve the Twin Cities stretch of the Mississippi River</i>				
General operating support		\$6,000	\$6,000	
<b>Great River Greening</b>				
St. Paul				
<i>Leads community-based restoration of natural areas and open spaces</i>				
General operating support		\$5,000	\$5,000	

# Environment

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
<b>Minnesota Environmental Partnership</b>				
St. Paul				
<i>Coalition of environmental and conservation organizations working to protect and improve Minnesota's ecological health</i>				
In fulfillment of a \$20,000 pledge of general operating support	\$10,000		\$10,000	
Project support for the Minnesota Clean Water, Land and Legacy Education Initiative		\$10,000	\$10,000	
<b>Minnesota Land Trust</b>				
St. Paul				
<i>Protects land and water primarily through the use of conservation easements</i>				
General operating support		\$10,000	\$10,000	
<b>The Nature Conservancy of Minnesota</b>				
Minneapolis				
<i>Environmental and wildlife protection agency</i>				
In fulfillment of a \$30,000 pledge of project support for the Minnesota Forest Legacy Partnership Easement Fund	\$15,000		\$15,000	
<b>Parks and Trails Council of Minnesota</b>				
St. Paul				
<i>Furthers the establishment, development and enhancement of parks and trails in Minnesota</i>				
General operating support		\$5,000	\$5,000	
<b>Saint Paul Riverfront Corporation</b>				
St. Paul				
<i>Works to connect St. Paul and its people, places and neighborhoods to the Mississippi River</i>				
General operating support		\$5,000	\$5,000	
<b>The Trust for Public Land</b>				
St. Paul				
<i>Conserves land for people to enjoy as parks, gardens and other natural places</i>				
General operating support		\$10,000	\$10,000	
<b>Total Environment</b>	<b>\$25,000</b>	<b>\$57,000</b>	<b>\$82,000</b>	<b>\$0</b>



## Education

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
<b>Achieve!Minneapolis</b>				
Minneapolis				
<i>Raises funds to support the Minneapolis public schools</i>				
General operating support		\$5,000	\$5,000	
<b>Centre for Asians and Pacific Islanders (CAPI)</b>				
Minneapolis				
<i>Assists immigrants and refugees in becoming self-sufficient</i>				
Project support for the Hmong School Partnership Project				
		\$5,000	\$5,000	
<b>Comunidades Latinas Unidas En Servicio (CLUES)</b>				
St. Paul				
<i>Latino human services agency</i>				
Project support for the Latino Learning Institute Educational Services				
		\$5,000	\$5,000	
<b>English Learning Center</b>				
Minneapolis				
<i>Provides English and math classes to immigrants and refugees</i>				
General operating support				
		\$5,000	\$5,000	
<b>The Friends of the Minneapolis Public Library</b>				
Minneapolis				
<i>Supports the Minneapolis Public Library</i>				
Toward a \$50,000 pledge of capital support for the new Minneapolis Central Library				
	\$20,000		\$10,000	\$10,000
<b>Jane Adams School for Democracy</b>				
St. Paul				
<i>Works with new immigrants, college students, and community residents to build cross-cultural understanding and develop civic skills</i>				
General operating support				
		\$10,401	\$10,401	
<b>Lao Family Community of Minnesota</b>				
St. Paul				
<i>Hmong human service agency</i>				
Project support for the English Education Program				
		\$3,000	\$3,000	

# Education

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
<b>LearningWorks at Blake: A Breakthrough Program</b>				
Minneapolis				
<i>Academic enrichment program serving motivated, bright, low-income middle school students in the Minneapolis Public Schools</i>				
General operating support		\$5,000	\$5,000	
<b>Minnesota Historical Society</b>				
St. Paul				
<i>History museum</i>				
General operating support		\$7,000	\$7,000	
Toward a \$50,000 pledge of project support for the Minnesota's Greatest Generation Project	\$40,000		\$10,000	\$30,000
<b>Neighborhood House</b>				
St. Paul				
<i>Multicultural human services organization</i>				
Project support for the English Language Learning/Family Literacy Program		\$7,500	\$7,500	
<b>Page Education Foundation</b>				
Minneapolis				
<i>Offers financial assistance for people of color to attend college in exchange for their volunteer service</i>				
General operating support		\$5,000	\$5,000	
<b>Womens Initiative for Self Empowerment (WISE), Inc.</b>				
St. Paul				
<i>Empowers immigrant women and girls to succeed</i>				
Project support for Cultural Art Instruction at Highwood Hills Elementary School		\$9,000	\$9,000	
<b>Total Education</b>	<b>\$60,000</b>	<b>\$66,901</b>	<b>\$86,901</b>	<b>\$40,000</b>

# Body, Mind and Spirit

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
<b>Abbott Northwestern Hospital Foundation</b>				
Minneapolis				
<i>Raises funds to support Abbott Northwestern Hospital</i>				
Toward a \$100,000 pledge of project support for the Institute for Health and Healing's Transformative Nurse Program				
	\$80,000		\$20,000	\$60,000
<b>Center for Spirituality and Healing</b>				
Minneapolis				
<i>University of Minnesota program working to integrate the role of complimentary therapies and healing practices</i>				
Toward a \$38,250 pledge of project support for Cultural Traditions in Current Times: Exploring and Expanding Health Care Options Within Minnesota's Immigrant and Refugee Communities				
		\$38,250	\$20,000	\$18,250
<b>Children's Hospitals and Clinics</b>				
Minneapolis				
<i>Pediatric medical center</i>				
Project support for the Comfort Kit Program				
		\$15,000	\$15,000	
<b>Collegeville Institute for Ecumenical and Cultural Research</b>				
Collegeville, MN				
<i>Works to overcome religious conflict and disunity through leadership development</i>				
Toward a \$25,000 pledge for the Faith Leadership for an Ecumenical Future Campaign				
	\$20,000		\$5,000	\$15,000
<b>Minnesota Public Radio</b>				
St. Paul				
<i>Public service radio</i>				
Project support for Speaking of Faith				
		\$15,000	\$15,000	
<b>United Theological Seminary</b>				
New Brighton				
<i>Theological School</i>				
Project support for three classes				
		\$13,000	\$13,000	
<b>Total Body, Mind and Spirit</b>				
	<b>\$100,000</b>	<b>\$81,250</b>	<b>\$88,000</b>	<b>\$93,250</b>

## The Arts

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
<b>The Children's Theatre Company</b>				
Minneapolis				
<i>Theater for young people</i>				
In fulfillment of a \$50,000 pledge for the capital campaign	\$5,000		\$5,000	
<b>Friends of Eastcliff</b>				
St. Paul				
<i>Support organization for the official residence of the University of Minnesota President</i>				
Toward a \$100,000 capital pledge for restoration of the summerhouse	\$80,000		\$10,000	\$70,000
<b>Guthrie Theater</b>				
Minneapolis				
<i>Theater</i>				
General operating support		\$7,000	\$7,000	
<b>Highpoint Center for Printmaking</b>				
Minneapolis				
<i>Dedicated to the art of printmaking</i>				
Toward a \$10,000 pledge for the capital campaign		\$10,000	\$5,000	\$5,000
<b>Illusion Theater</b>				
Minneapolis				
<i>Theater focusing on new works</i>				
Project support for the Peer Education Program		\$5,000	\$5,000	
<b>In the Heart of the Beast Puppet and Mask Theatre</b>				
Minneapolis				
<i>Community-based puppet and mask theater</i>				
General operating support		\$5,000	\$5,000	
<b>The Jungle Theater</b>				
Minneapolis				
<i>Theater</i>				
General operating support		\$5,000	\$5,000	

# The Arts

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
<b>MacPhail Center for the Arts</b>				
Minneapolis				
<i>Music School</i>				
Toward a \$75,000 pledge for the Campaign for the New MacPhail	\$25,000		\$10,000	\$15,000
<b>The Midwest Art Conservation Center</b>				
Minneapolis				
<i>Works for the preservation and conservation of art and artifacts</i>				
General operating support		\$5,000	\$5,000	
<b>The Minneapolis Institute of Arts</b>				
Minneapolis				
<i>Art Museum</i>				
General operating support		\$7,000	\$7,000	
In fulfillment of a \$50,000 pledge for the Bring Art to Life Campaign	\$10,000		\$10,000	
<b>The Minnesota Opera</b>				
Minneapolis				
<i>Opera company</i>				
Toward a \$25,000 pledge of endowment support for the Opera at the Ordway Initiative	\$15,000		\$5,000	\$10,000
<b>Minnesota Orchestral Association</b>				
Minneapolis				
<i>Symphony orchestra dedicated to enriching lives with great music</i>				
General operating support		\$7,000	\$7,000	
<b>Minnesota Shubert Performing Arts and Education Center</b>				
Minneapolis				
<i>New center for dance</i>				
Toward a \$50,000 pledge for the capital campaign	\$30,000		\$10,000	\$20,000
<b>Mixed Blood Theatre</b>				
Minneapolis				
<i>Theater dedicated to non-traditional artists and audiences</i>				
General operating support		\$5,000	\$5,000	

## The Arts

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
<b>Open Eye Figure Theater</b>				
Minneapolis				
<i>Theater</i>				
General operating support		\$5,000	\$5,000	
<b>Pangea World Theater</b>				
Minneapolis				
<i>Creates and presents international, multi-disciplinary theater</i>				
General operating support		\$5,000	\$5,000	
<b>Pillsbury House Theatre</b>				
Minneapolis				
<i>Theatre working to inspire choice, change and connection</i>				
General operating support		\$5,000	\$5,000	
<b>SteppingStone Theatre</b>				
St. Paul				
<i>Children's theater</i>				
Toward a \$25,000 pledge for the capital campaign	\$20,000		\$5,000	\$15,000
<b>Theatre de la Jeune Lune</b>				
Minneapolis				
<i>Theater</i>				
General operating support		\$5,000	\$5,000	
<b>Total Arts</b>	<b>\$185,000</b>	<b>\$76,000</b>	<b>\$126,000</b>	<b>\$135,000</b>

# Social Empowerment

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
<b>Commonbond Communities</b>				
St. Paul				
<i>Provides affordable housing and services</i>				
Toward a \$40,000 pledge for the capital campaign	\$30,000		\$10,000	\$20,000
<b>East Phillips Improvement Coalition</b>				
Minneapolis				
<i>Neighborhood-based resident organization</i>				
Toward a \$30,000 pledge of capital support for the Phillips Park Cultural and Community Center	\$30,000		\$10,000	\$20,000
<b>Family and Children's Service</b>				
Minneapolis				
<i>Family service organization</i>				
In fulfillment of a \$15,000 pledge of project support for the Families and Communities Together (FACT) and School Success for Immigrant Children programs	\$5,000		\$5,000	
<b>Family Housing Fund</b>				
Minneapolis				
<i>Affordable housing provider</i>				
Project support for Minnesota Green Communities		\$7,500	\$7,500	
<b>Greater Minneapolis Council of Churches</b>				
Minneapolis				
<i>Mobilizes congregations and volunteers to serve human needs and seek social justice</i>				
General operating support for the Center for Families		\$10,000	\$10,000	
Project support for a capacity building effort to support immigrant-led organizations		\$18,920	\$18,920	
<b>Greater Twin Cities United Way</b>				
Minneapolis				
<i>Community health and human services organization</i>				
General operating support		\$15,000	\$15,000	
<b>Hope Community</b>				
Minneapolis				
<i>Community development organization</i>				
General operating support		\$10,000	\$10,000	

# Social Empowerment

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
<b>International Institute of Minnesota</b>				
St. Paul				
<i>Provides services to new Americans</i>				
Project support for the Medical Careers for New Americans Program				
		\$7,500	\$7,500	
<b>La Oportunidad, Inc.</b>				
St. Paul				
<i>Offers education and support services to Latino children, youth and families in the Twin Cities</i>				
General operating support				
		\$5,000	\$5,000	
<b>Lutheran Social Service of Minnesota</b>				
St. Paul				
<i>Social Services Provider</i>				
Toward a \$30,000 pledge of capital support for the Center for Changing Lives				
		\$30,000	\$10,000	\$20,000
<b>Neighborhood Development Center</b>				
St. Paul				
<i>Provides small business training, loans, ongoing business assistance and overall community engagement in the Twin Cities</i>				
General operating support				
		\$5,000	\$5,000	
<b>Plymouth Church Neighborhood Foundation</b>				
Minneapolis				
<i>Affordable housing provider</i>				
Project support for the Congregational Partnership Initiative				
		\$5,000	\$5,000	
<b>Project for Pride in Living, Inc.</b>				
Minneapolis				
<i>Assists low-income people to become self-sufficient by addressing job, housing and neighborhood needs</i>				
General operating support				
		\$7,500	\$7,500	
<b>Project Success</b>				
Minneapolis				
<i>Uses in-school workshops to develop goal-setting skills; provides college application assistance and college tours; and provides tickets to students and their families to attend live theater performances</i>				
General operating support				
		\$10,000	\$10,000	



## Social Empowerment

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
<b>Summit Academy OIC</b>				
Minneapolis				
<i>Vocational training and education center</i>				
Project support for the 500 Families Campaign and Adult Education Program		\$5,000	\$5,000	
<b>Twin Cities Rise!</b>				
Minneapolis				
<i>Provides job training and education to low-income adults</i>				
General operating support		\$7,500	\$7,500	
<b>Urban Ventures Leadership Foundation</b>				
Minneapolis				
<i>Works to develop youth, strengthen families and create economic opportunities</i>				
General operating support		\$5,000	\$5,000	
<b>Total Social Empowerment</b>	<b>\$65,000</b>	<b>\$148,920</b>	<b>\$153,920</b>	<b>\$60,000</b>

# American Indian Family Empowerment Program

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
<b>The Minneapolis Foundation</b>				
Minneapolis				
<i>Community foundation</i>				
Donor Advised Fund in support of the American Indian Family Empowerment Program (AIFEP), a program of Marbrook Foundation in collaboration with the Grotto Foundation and the Westcliff Foundation		\$80,000	\$80,000	
Support for the AIFEP Endowment Campaign		\$15,000	\$15,000	
Pledge for the AIFEP Endowment Campaign		\$250,000		\$250,000
<b>Total AIFEP</b>	—	<b>\$345,000</b>	<b>\$95,000</b>	<b>\$250,000</b>

# Family Recommended Grants

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
<b>Amherst College</b>				
Amherst, MA				
<i>Private liberal arts college</i>				
General operating support		\$1,000	\$1,000	
<b>Animal Humane Society</b>				
Golden Valley				
<i>Dedicated to the welfare of animals</i>				
General operating support		\$1,000	\$1,000	
<b>Boulder Shambhala Center</b>				
Boulder, CO				
<i>Part of an international community of meditation centers founded by Chogyam Trungpa Rinpoche</i>				
Capital support for the community room		\$2,000	\$2,000	
<b>Breck School</b>				
Golden Valley				
<i>Private K-12 learning institution</i>				
General operating support		\$3,500	\$3,500	
<b>Center for the American Experiment</b>				
Minneapolis				
<i>Public policy and educational institution</i>				
General operating support		\$1,000	\$1,000	
<b>Connecticut College</b>				
New London, CT				
<i>Private liberal arts college</i>				
General operating support		\$1,500	\$1,500	
<b>Crossroads School for Arts and Sciences</b>				
Santa Monica, CA				
<i>Private K-12 school</i>				
General operating support		\$8,000	\$8,000	
<b>Family and Children's Service</b>				
Minneapolis				
<i>Family service organization</i>				
General operating support		\$4,000	\$4,000	

# Family Recommended Grants

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
<b>Friends' School</b>				
Boulder, CO				
<i>Private pre-K-5 school</i>				
General operating support		\$2,000	\$2,000	
<b>Global Site Performance</b>				
Minneapolis				
<i>Uses dance to transform the environment</i>				
General operating support		\$1,000	\$1,000	
<b>Golden Sun Foundation for World Culture</b>				
Boulder, CO				
<i>Works to preserve and promote international cultural traditions and to provide the means for an exchange of ideas between the keepers of these traditions and modern artists and audiences</i>				
General operating support		\$1,000	\$1,000	
<b>Growing Gardens</b>				
Portland, OR				
<i>Promotes home-scale organic food gardening to improve nutrition, health and self-reliance</i>				
General operating support		\$2,000	\$2,000	
<b>Hazelden Foundation</b>				
Center City, MN				
<i>Treatment Center</i>				
General operating support		\$2,000	\$2,000	
<b>Hill Museum and Manuscript Library</b>				
Collegeville, MN				
<i>Dedicated to preserving endangered or significant manuscripts</i>				
General operating support		\$1,000	\$1,000	
<b>Keepers of the Waters</b>				
Portland, OR				
<i>Communications network for people engaged in projects that transform our relationship to water</i>				
General operating support		\$3,000	\$3,000	

# Family Recommended Grants

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
<b>Khyentse Foundation</b>				
San Francisco, CA				
<i>Supports institutions and individuals engaged in the study and practice of Buddhism</i>				
Project support for special programs and scholarships				
		\$4,000	\$4,000	
<b>Lotus Outreach</b>				
Los Angeles, CA				
<i>Dedicated to improving the living, educational and cultural conditions of underprivileged children and their communities in India, Bhutan and Cambodia</i>				
General operating support				
		\$4,000	\$4,000	
<b>Midwest Art Conservation Center</b>				
Minneapolis				
<i>Works for the preservation and conservation of art and artifacts in the Upper Midwest region</i>				
General operating support				
		\$1,000	\$1,000	
<b>Minneapolis Heart Institute Foundation</b>				
Minneapolis				
<i>Supports education and research to prevent and eventually end heart disease</i>				
General operating support				
		\$1,500	\$1,500	
<b>Minneapolis Institute of Arts</b>				
Minneapolis				
<i>Art museum</i>				
General operating support				
		\$1,000	\$1,000	
<b>Minnesota Public Radio</b>				
St. Paul				
<i>Public service radio</i>				
General operating support				
		\$1,500	\$1,500	
<b>Mirman School</b>				
Los Angeles, CA				
<i>Private school for gifted children</i>				
General operating support				
		\$8,000	\$8,000	

# Family Recommended Grants

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
<b>Nalanda Translation Committee</b>				
Halifax, Nova Scotia, Canada				
<i>Translates works for the public that propagate the Buddhist and Shambhala teachings</i>				
General operating support		\$1,500	\$1,500	
<b>Nonviolent Peace Force</b>				
St. Paul				
<i>Applies nonviolent strategies to protect human rights and deter violence</i>				
General operating support		\$1,000	\$1,000	
<b>Nova Scotia Sea School</b>				
Halifax, Nova Scotia, Canada				
<i>Takes teenagers on boating expeditions</i>				
General operating support		\$1,500	\$1,500	
<b>Pangaea Project</b>				
Portland, OR				
<i>Works to engage teenagers from underserved neighborhoods in local and international service-learning projects</i>				
General operating support		\$2,000	\$2,000	
<b>Pheasants Forever</b>				
Fergus Falls, MN				
<i>Dedicated to the conservation of pheasants, quail and other wildlife</i>				
General operating support		\$4,000	\$4,000	
<b>Piedmont Council of the Arts</b>				
Charlottesville, VA				
<i>Works to sustain the arts as an essential part of the quality of life in Charlottesville</i>				
General operating support		\$4,000	\$4,000	
<b>Productive Alternatives</b>				
Fergus Falls, MN				
<i>Provides services for individuals with disabilities</i>				
General operating support		\$4,000	\$4,000	

# Family Recommended Grants

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
<b>Project Success</b>				
Minneapolis				
<i>Inspires young people to imagine, believe in, and act upon the possibilities in their own lives</i>				
General operating support		\$7,000	\$7,000	
<b>Romero Institute</b>				
La Selva Beach, CA				
<i>Policy research firm</i>				
General operating support		\$4,000	\$4,000	
<b>Santa Barbara Maritime Museum</b>				
Santa Barbara, CA				
<i>Maritime museum</i>				
General operating support		\$1,000	\$1,000	
<b>St. Anne's-Belfield School</b>				
Charlottesville, VA				
<i>Private K-12 learning institution</i>				
General operating support		\$6,000	\$6,000	
<b>St. Paul Academy &amp; Summit School</b>				
St. Paul				
<i>Private K-12 learning institution</i>				
General operating support		\$6,000	\$6,000	
<b>TigerLion Arts</b>				
Minneapolis				
<i>Aims to awaken and celebrate humanity's fundamental goodness through theatre and film</i>				
Project support for KIPO!		\$11,000	\$11,000	
<b>Union College</b>				
Schenectady, NY				
<i>Private liberal arts college</i>				
General operating support		\$4,000	\$4,000	

# Family Recommended Grants

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
<b>University of Minnesota Foundation</b>				
Minneapolis				
<i>Raises funds to support the University of Minnesota</i>				
General operating support for the Equine Center		\$1,000	\$1,000	
General operating support for the Veterinary Medical Center's Small Animal Hospital, in memory of "Peanut"		\$1,000	\$1,000	
<b>Walker Art Center</b>				
Minneapolis				
<i>Contemporary art museum</i>				
General operating support		\$1,500	\$1,500	
<b>Yale University</b>				
New Haven, CT				
<i>Private liberal arts college</i>				
Support for Yale Tomorrow		\$3,500	\$3,500	
General operating support for the Yale School of Management		\$2,000	\$2,000	
<b>Total Family Recommended Grants</b>	—	<b>\$121,000</b>	<b>\$121,000</b>	—
<b>Grand Totals</b>	<b>\$435,000</b>	<b>\$912,071</b>	<b>\$752,821</b>	<b>\$578,250</b>



# Financial Statements of Assets and Principal Arising from Cash Transactions

DECEMBER 31, 2008 AND 2007

	Market (unaudited)		Cost	
	2008	2007	2008	2007
<b>Assets</b>				
Investments				
Stocks	\$6,081,105	\$9,549,374	\$8,103,068	\$8,099,934
U.S. government and agency obligations	\$1,597,646	\$1,401,814	\$1,475,204	\$1,376,159
Corporate obligations	-	\$808,601	-	\$548,700
Investment in limited partnerships	\$3,572,302	\$4,656,541	\$4,012,337	\$4,229,256
Cash and cash equivalents	\$672,106	\$830,312	\$672,106	\$830,312
<i>Total Investments</i>	\$11,923,159	\$17,246,642	\$14,262,715	\$15,084,361
<i>Principal arising from cash transactions</i>			<b>\$14,262,715</b>	<b>\$15,084,361</b>

# Financial Statements of Cash Receipts and Disbursements and Changes in Principal

YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
<b>Receipts</b>		
Dividends	\$140,571	\$200,820
Interest	\$117,076	\$179,488
Net gain on sales of investments	-	\$830,547
Total receipts	\$488,596	\$1,390,489
<b>Disbursements</b>		
Excise tax on net investment income	\$25,506	\$40,750
General and administrative expenses	\$134,240	\$118,685
Investment management and custodial fees	\$148,279	\$201,082
Charitable contributions	\$755,975	\$837,600
Total disbursements	\$1,310,242	\$1,198,117
Net increase (decrease) in principal for the year	(\$821,646)	\$192,372
Principal at beginning of year, as previously stated	\$15,084,361	\$14,596,483
Change in estimate (Note 7)	-	\$295,506
Principal at beginning of year, restated	-	\$14,891,989
<b>Principal at end of year</b>	<b>\$14,262,715</b>	<b>\$15,084,361</b>

# Notes to Financial Statements

DECEMBER 31, 2008 AND 2007

## Note 1. Significant Accounting Policies

### *Nature of Business*

Marbrook Foundation (the Foundation) was formed under an agreement dated November 1, 1948 to be operated exclusively for religious, charitable, scientific, literary, or educational purposes within the United States.

### *Basis of Statement Presentation*

The Foundation has adopted the modified cash basis of accounting and, accordingly, investments are recorded at cost in the accompanying financial statements, and the financial statements do not reflect such items as unrealized appreciation or depreciation on investments, accruals for interest and dividends receivable, accruals for federal excise taxes, or amortization of bond discounts and premiums. Market value of the investments is unaudited and shown for presentation purposes only.

### *Cash Equivalents*

The Foundation considers all highly liquid investments in debt securities with original maturities of three months or less, when purchased, to be cash equivalents. The short-term highly liquid investments are carried at cost, which approximates market. At times, cash and cash equivalents may be in excess of FDIC insurance limits.

### *Carrying Value of Investments*

Investments are recorded at cost at the trade date, adjusted for subsequent repayments of principal as applicable. Gains and losses on the sales of investments are computed on a specific identification basis. Market values for common stocks and fixed income securities disclosed in the accompanying financial statements are based upon published quotations. Limited partnership investments are valued at management's best estimate of fair value. Management's valuations are generally based on the Foundation's capital balance as reported by the investment partnership, subject to the Foundation's review and approval.

### *Charitable Contributions*

It is the Foundation's policy to comply with federal income tax regulations governing the minimum amount of charitable contributions to be distributed.

### *Use of Estimates*

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

### *Income Taxes*

In July 2006, Financial Interpretation No. 48, Accounting for Uncertainty in Income Taxes, (FIN No. 48) was issued. Subsequent to its original issuance, the effective date of its implementation for nonpublic enterprises has been deferred, and is currently deferred for nonpublic entities until years beginning after December 15, 2008. The Organization has elected to defer implementation of FIN No. 48, as allowable.

The Organization undergoes an annual analysis of its various tax positions, assessing the likelihood of those positions being upheld upon examination with relevant tax authorities, as defined by FIN No. 48.

### Note 2. Corporate Obligations

The corporate obligations were held to maturity and sold on January 9, 2008. The obligations were linked to the performance of the Nikkei 225® Index, subject to a 75.5% appreciation cap on the positive performance of the index.

### Note 3. Excise Tax

The Foundation is classified as a private foundation, as defined in Section 509(a) of the Internal Revenue Code and is subject to an excise tax on net investment income. The effective excise tax rate was 2% for the years ended December 31, 2008 and 2007.

Excise tax on net investment income includes \$16,875 paid by the Foundation in 2008 relating to the 2008 excise tax balance and \$6,550 paid by the Foundation in 2007 relating to the 2007 excise tax balance.

### Note 4. Commitments

At December 31, 2008, the Foundation has unpaid pledges for charitable contributions aggregating \$558,250, payable over the next eight years. The payments are expected as follows:

<u>Years Ending December 31,</u>	<u>Amount</u>
2009	\$223,250
2010	\$165,000
2011	\$130,000
2012	\$10,000
2013	\$10,000
Thereafter	\$20,000
	<u>\$405,000</u>

In addition, the Foundation has commitments to fund limited partnership investments totaling \$37,157, payable as called by the partnership.

Note 5. Related-Party Transactions

Certain administrative expenses are allocated to the Foundation by Sawmill Private Management, Inc. (formerly Brooks Associates, Inc.), an affiliated entity. The Foundation paid approximately \$39,533 and \$37,168 in related-party administrative costs and grant fees in 2008 and 2007, respectively.

Note 6. Leases

The Foundation leases office space under an operating lease that expires on February 28, 2017. The following is a schedule by year of future minimum lease payments required under the lease:

<u>Years Ending December 31,</u>	<u>Amount</u>
2009	\$3,350
2010	\$3,350
2011	\$3,350
2012	\$4,188
2013	\$4,355
Thereafter	\$13,791
	<u>\$32,384</u>

Note 7. Change in Estimate

During the year ended December 31, 2007, the Foundation determined the estimate of the partnership assets and income for 2006 was understated. The change in estimate caused an increase in the prior year ending principal on the statement of cash receipts and disbursements and changes in principal of \$295,506.

## Independent Auditor's Report

THE BOARD OF TRUSTEES  
MARBROOK FOUNDATION  
MINNEAPOLIS, MINNESOTA

We have audited the accompanying statements of assets and principal arising from cash transactions of **Marbrook Foundation** (the Foundation) as of December 31, 2008 and 2007, and the related statements of cash receipts and disbursements and changes in principal for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we do not express such an opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, these financial statements were prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and principal arising from cash transactions of **Marbrook Foundation** as of December 31, 2008 and 2007, and its cash receipts and disbursements and changes in principal for the years then ended on the basis of accounting described in Note 1.

Eide Bailly LLP  
Minneapolis, Minnesota  
June 18, 2009

# Application Procedures

Marbrook Foundation makes grants to tax-exempt organizations in five areas of focus: Environment, Education, Body, Mind and Spirit, The Arts, and Social Empowerment. The Foundation has no formal application form. Proposals are usually submitted as letters with attachments. The **Minnesota Common Grant Application** will be accepted provided that all of the following information is included.

Applicants should submit one copy of a proposal including the following:

Description of the organization requesting support

- Description of the objectives for which the grant is sought
- Specific details on how the objectives are to be attained
- Budget
- List of major contributors and amounts received, committed or pending
- Proposed method of evaluation to determine the eventual extent to which the proposed objectives are to be met
- Board of Directors List
- 501(c)(3) Ruling Letter
- Most recent Annual Report

Marbrook Foundation deadlines are May 15 and November 15. Trustee meetings to consider grant proposals are generally held in June and December. Specific dates for the Trustee meetings are usually determined approximately five months ahead of time.

Applications should be sent to:

Julie S. Hara, *Executive Director*  
Marbrook Foundation  
1300 U.S. Trust Building  
730 Second Avenue South  
Minneapolis, Minnesota 55402

Preliminary inquiries may be made by calling Julie Hara at 612-752-1783 or emailing her at [jhara@marbrookfoundation.org](mailto:jhara@marbrookfoundation.org).

**Restrictions**

Marbrook Foundation only makes grants to nonprofit organizations that are tax-exempt under Internal Revenue Code 501(c)(3). The Foundation generally limits its grants to established organizations located in the Twin Cities metropolitan area. The Foundation typically does not fund:

- start-up organizations
- programs for the elderly
- domestic abuse programs
- disease-related organizations
- conferences and events
- food shelves
- homeless shelters
- programs serving the physically or mentally disabled
- individuals or organizations which attempt to influence legislation or to intervene in any political campaign.