

**MARBROOK
FOUNDATION**

2009 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 2008, the Trustees completed a strategic planning process. This process resulted in a change of focus for the Foundation. 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.

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
Sarah Brooks	2009–Present

BOARD OF TRUSTEES

Conley Brooks
Conley Brooks, Jr.
Markell Brooks
Sarah 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

We are pleased to report on the accomplishments and new direction initiated by Marbrook Foundation in 2009. While the challenging economic climate led to a decline in the Foundation's assets, and a corresponding reduction of grant-making dollars, the Trustees were energized by the Foundation's new program guidelines, focusing on initiatives or organizations that create equal opportunity for immigrants and refugees in the Twin Cities metro area. This new direction became effective in January 2009 and allowed the Trustees to learn more about Twin Cities nonprofits doing terrific work in this area. Throughout the year, we spent a good amount of time visiting these nonprofits, learning about the pressing needs of immigrants and refugees, and attempting to respond to these needs in an innovative, effective manner.

The following are some program highlights from the past year:

In line with one of Marbrook's new areas of focus on expanding access to healthy food for neighborhoods with a high concentration of immigrants and refugees, the Foundation made a grant to the Institute for Agriculture and Trade Policy's Local Foods program. The grant helped the IATP launch additional mini farmers markets in primarily immigrant neighborhoods, increase healthy food offerings at corner stores in low-income neighborhoods, and pilot a school-based local foods project (in collaboration with the Youth Farm and Market Project and Cherokee Heights Elementary School in St. Paul). We are pleased that Marbrook is able to help introduce healthier, more local foods, to Twin Cities neighborhoods.

As part of our efforts to promote academic success for children of immigrants and refugees, Marbrook supported the Women's Initiative for Self Empowerment's Girls Getting Ahead in Leadership (GGAL) program. GGAL is a career exploration and educational advancement initiative. The program works with young immigrant women in their junior and senior years of high school and their parents to help them plan and prepare for college, understand the college application and financial aid processes, and develop leadership skills. We are impressed by WISE's efforts to help these young women become independent and leaders of their communities.

Marbrook Foundation has a long history of supporting a number of theaters in the Twin Cities. In 2009 the Foundation made grants to a number of theatres working with immigrants and refugees in our community, including, Bedlam Theatre's Cedar-Riverside Drama Club; Pangea World Theater; and Pillsbury House Theatre and its Breaking Ice Programs and the Chicago Avenue Project.

Finally, 2009 marked an important milestone for the **American Indian Family Empowerment Program**, the program started by Marbrook in 1996. After several years of thoughtful and strategic planning, AIFEP became its own stand-alone Foundation. The new Foundation—The Tiwahe Foundation—will continue to expand its capacity to support American Indian individuals and families striving for self-determination through educational attainment, economic self-sufficiency, and

connecting to their culture. It will also expand its Leadership Development Program to prepare Native people with the skills, knowledge and opportunities required to lead their communities in the 21st century. For more information about The Tiwahe Foundation, please see www.grottofoundation.org.

In 2010, we look forward to Marbrook continuing its immigrant and refugee focus, thereby ensuring that nonprofit organizations working in this area can effect positive change in our community. We welcome your comments and questions and encourage you to call Julie Hara at 612-752-1783 or email her at jhara@marbrookfoundation.org.

Julie Zelle
Chair of the Board

Julie Hara
Executive Director

Summary of 2008–2009 Contributions and Long-Term Objectives

	2008		2009	
	Actual Allocation		Actual Allocation	
Environment	\$82,000	15%	\$22,000	5%
Education	\$86,901	16%	\$91,000	20%
Body, Mind and Spirit	\$88,000	16%	\$58,250	13%
The Arts	\$126,000	24%	\$102,500	22%
Social Empowerment American Indian Family Empowerment Program	\$153,920	29%	\$182,500	40%
Family Recommended Grants	\$95,000		\$90,000	
	\$121,000		\$106,000	
TOTAL	\$752,821	100%	\$652,250	100%

Summary of 2009 Grants & Commitments

Environment	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
Minnesota Center for Environmental Advocacy				
St. Paul				
<i>Uses science, law and research to protect Minnesota's natural resources</i>				
Project support for the Geographic Information System Program				
		\$10,000	\$10,000	
Minnesota Environmental Initiative				
Minneapolis				
<i>Works to develop and manage innovative partnerships that result in successful environmental action</i>				
Project support for the Springboard for Community Environmental Solutions project				
		\$12,000	\$12,000	
Total Environment	\$0	\$22,000	\$22,000	\$0

Education

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
Comunidades Latinas Unidas En Servicio (CLUES)				
St. Paul <i>Latino human services agency</i>				
Project support for Economic Advancement Services				
		\$5,000	\$5,000	
English Learning Center				
Minneapolis <i>Provides English and math classes to immigrants and refugees</i>				
General operating support				
		\$5,000	\$5,000	
The Friends of the Minneapolis Public Library				
Minneapolis <i>Supports the Minneapolis Public Library</i>				
In fulfillment of a \$50,000 pledge of capital support for the Minneapolis Central Library				
	\$10,000		\$10,000	
Hiawatha Leadership Academy				
Minneapolis <i>Charter school</i>				
Project support to supplement the wages of translators, bus riders and recruiters				
		\$7,500	\$7,500	
LearningWorks at Blake: A Breakthrough Program				
Minneapolis <i>Academic enrichment program serving motivated, bright, low-income middle school students in the Minneapolis Public Schools</i>				
General operating support				
		\$10,000	\$10,000	
Minnesota Historical Society				
St. Paul <i>History museum</i>				
General operating support				
		\$5,000	\$5,000	
Toward a \$50,000 pledge of project support for the Minnesota's Greatest Generation Project				
	\$30,000		\$10,000	\$20,000

Education

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
Neighborhood House				
St. Paul				
<i>Multicultural human services organization</i>				
Project support for the English Language Learning/Family Literacy Program				
		\$10,000	\$10,000	
Somali Success School				
Minneapolis				
<i>Works to educate, empower and encourage immigrants to be self-sufficient, contributing members of the community</i>				
General operating support				
		\$5,000	\$5,000	
Teach for America - Twin Cities				
Minneapolis				
<i>National organization that seeks to address the achievement gap that exists along socioeconomic and racial lines</i>				
Project support to help sponsor an ESL teacher at Wellstone International High School and for ESL literature and other materials				
		\$7,500	\$7,500	
Womens Initiative for Self Empowerment (WISE), Inc.				
St. Paul				
<i>Empowers immigrant women and girls to succeed</i>				
Project support for the Girls Getting Ahead in Leadership (GGAL) program				
		\$16,000	\$16,000	
Total Education	\$40,000	\$71,000	\$91,000	\$20,000

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
Abbott Northwestern Hospital Foundation				
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				
	\$60,000		\$20,000	\$40,000
Center for Spirituality and Healing				
Minneapolis <i>University of Minnesota program working to integrate the role of complimentary therapies and healing practices</i>				
In fulfillment of 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				
	\$18,250		\$18,250	
Children's Hospitals and Clinics				
Minneapolis <i>Pediatric medical center</i>				
Project support for the Artist in Residence: Cultural Connections Program				
		\$5,000	\$5,000	
Collegeville Institute for Ecumenical and Cultural Research				
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				
	\$15,000		\$5,000	\$10,000
Institute for Agriculture and Trade Policy				
Minneapolis <i>Works to ensure fair food, farm and trade systems for all people</i>				
Toward a \$20,000 pledge of project support for the Local Foods program				
		\$20,000	\$10,000	\$10,000
Total Body, Mind and Spirit	\$93,250	\$25,000	\$58,250	\$60,000

The Arts

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
Bedlam Theatre				
Minneapolis				
<i>Theater</i>				
Project support for the Cedar-Riverside Drama Club for Youth				
		\$5,000	\$5,000	
Center for Hmong Arts and Talent				
St. Paul				
<i>Hmong arts organization</i>				
General operating support				
		\$5,000	\$5,000	
The Children's Theatre Company				
Minneapolis				
<i>Theater for young people</i>				
Project support for work with The Civilians to highlight stories of new immigrants in Minnesota				
		\$5,000	\$5,000	
Friends of Eastcliff				
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			\$70,000
Guthrie Theater				
Minneapolis				
<i>Theater</i>				
General operating support				
		\$5,000	\$5,000	
Highpoint Center for Printmaking				
Minneapolis				
<i>Dedicated to the art of printmaking</i>				
In fulfillment of a \$10,000 pledge for the capital campaign				
		\$5,000	\$5,000	
Illusion Theater				
Minneapolis				
<i>Theater focusing on new works</i>				
Project support for Giving Voice Through Theater: New American Stories				
		\$7,500	\$7,500	
Mu Performing Arts				
St. Paul				
<i>Asian American theater company</i>				
Project support for the Performing Stories Program				
		\$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
MacPhail Center for the Arts				
Minneapolis <i>Music School</i>				
In fulfillment of a \$75,000 pledge for the Campaign for the New MacPhail				
	\$15,000		\$15,000	
The Minneapolis Institute of Arts				
Minneapolis <i>Art Museum</i>				
General operating support				
		\$5,000	\$5,000	
The Minnesota Opera				
Minneapolis <i>Opera company</i>				
Toward a \$25,000 pledge of endowment support for the Opera at the Ordway Initiative				
	\$10,000		\$5,000	\$5,000
Minnesota Orchestral Association				
Minneapolis <i>Symphony orchestra dedicated to enriching lives with great music</i>				
General operating support				
		\$5,000	\$5,000	
Minnesota Shubert Performing Arts and Education Center				
Minneapolis <i>New center for dance</i>				
Toward a \$50,000 pledge for the capital campaign				
	\$20,000		\$10,000	\$10,000
Mixed Blood Theatre				
Minneapolis <i>Theater dedicated to non-traditional artists and audiences</i>				
Project support for plays geared toward immigrants and refugees				
		\$5,000	\$5,000	
Pangea World Theater				
Minneapolis <i>Creates and presents international, multi-disciplinary 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
Pillsbury House Theatre				
Minneapolis <i>Theater working to inspire choice, change and connection</i>				
Project support for the Community and Youth Engagement Programs				
		\$10,000	\$10,000	
SteppingStone Theatre				
St. Paul <i>Children's theater</i>				
Toward a \$25,000 pledge for the capital campaign				
	\$15,000		\$5,000	\$10,000
Total Arts	\$145,000	\$62,500	\$102,500	\$95,000

Social Empowerment

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
CAPI				
Minneapolis				
<i>Works to guide refugees and immigrants in their journey to self-determination and social equality</i>				
Toward a \$60,000 pledge of general operating support		\$60,000	\$20,000	\$40,000
Commonbond Communities				
St. Paul				
<i>Provides affordable housing and services</i>				
Toward a \$40,000 pledge for the capital campaign	\$20,000		\$10,000	\$10,000
EMERGE				
Minneapolis				
<i>Connects disadvantaged people with economic opportunities</i>				
Project support for Job Readiness Training for Immigrants and Refugees		\$5,000	\$5,000	
Family and Children's Service				
Minneapolis				
<i>Family service organization</i>				
Project support for the School Success for Immigrant Youth program		\$5,000	\$5,000	
Goodwill/Easter Seals Minnesota				
St. Paul				
<i>Assists people with barriers to education, employment and independence in achieving their goals</i>				
Project support for the Skills Training programs and Job Placement Services for Immigrants and Refugees		\$5,000	\$5,000	
Greater Minneapolis Council of Churches				
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		\$20,000	\$20,000	

Social Empowerment

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
Hmong American Partnership				
St. Paul				
<i>Provides services to the Hmong population</i>				
Project support for Employment Services		\$10,000	\$10,000	
Hope Community				
Minneapolis				
<i>Community development organization</i>				
General operating support		\$10,000	\$10,000	
International Institute of Minnesota				
St. Paul				
<i>Provides services to new Americans</i>				
Project support for the Medical Careers for New Americans Program		\$7,500	\$7,500	
La Oportunidad, Inc.				
St. Paul				
<i>Offers education and support services to Latino children, youth and families in the Twin Cities</i>				
General operating support		\$7,500	\$7,500	
Lutheran Social Service of Minnesota				
St. Paul				
<i>Social Services Provider</i>				
Toward a \$30,000 pledge of capital support for the Center for Changing Lives	\$20,000		\$10,000	\$10,000
Neighborhood Development Center				
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	
Toward a \$60,000 pledge of support for the Midtown Global Market's Breakthrough Campaign		\$60,000	\$20,000	\$40,000
Project for Pride in Living, Inc.				
Minneapolis				
<i>Assists low-income people to become self-sufficient by addressing job, housing and neighborhood needs</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
Project Success				
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>				
Project support for Sandford Middle School's musical production		\$5,000	\$5,000	
Tibetan American Foundation of Minnesota				
St. Paul				
<i>Provides services to the Tibetan community in Minnesota</i>				
General operating support		\$5,000	\$5,000	
Urban Ventures Leadership Foundation				
Minneapolis				
<i>Works to develop youth, strengthen families and create economic opportunities</i>				
Project support for LaVictoria and the Learning Lab		\$7,500	\$7,500	
Women's Foundation of Minnesota				
Minneapolis				
<i>Funds innovative social change programs to achieve women's equality, build women's philanthropy, conduct and disseminate research reports on the status of women and girls, advocate for public policies to improve the condition of women and families, and educate the public about the successes and challenges of Minnesota's women and girls</i>				
Toward a \$30,000 pledge of project support for Building the Power of Immigrant and Refugee Women and Girls		\$30,000	\$10,000	\$20,000
Total Social Empowerment	\$40,000	\$262,500	\$182,500	\$120,000

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
The Minneapolis Foundation				
Minneapolis				
<i>Community foundation</i>				
Towards a pledge of support for the AIFEP Endowment Campaign				
		\$250,000	\$90,000	\$160,000
Total AIFEP	—	\$250,000	\$90,000	\$160,000

Family Recommended Grants

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
Amherst College				
Amherst, MA				
<i>Private liberal arts college</i>				
General operating support		\$1,000	\$1,000	
Breck School				
Golden Valley				
<i>Private K-12 learning institution</i>				
General operating support		\$3,500	\$3,500	
Center for the American Experiment				
Minneapolis				
<i>Public policy and educational institution</i>				
General operating support		\$1,000	\$1,000	
Center for Spirituality and Healing				
Minneapolis				
<i>University of Minnesota program working to integrate the role of complementary therapies and healing practices, culturally based healing traditions, and spirituality into healthcare professional education</i>				
Project support for the Arts and Healing Initiative		\$5,000	\$5,000	
Colorado Rocky Mountain School				
Carbondale, CO				
<i>Private high school</i>				
Support for The Wilderness Fund		\$1,000	\$1,000	
Connecticut College				
New London, CT				
<i>Private liberal arts college</i>				
General operating support		\$1,500	\$1,500	
Cornell University				
Ithaca, NY				
<i>Private university</i>				
General operating support		\$1,000	\$1,000	
Cornell University School of Hotel Administration				
Ithaca, NY				
<i>Hospitality management school</i>				
General operating support		\$1,000	\$1,000	

Family Recommended Grants

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
Crossroads School for Arts and Sciences				
Santa Monica, CA				
<i>Private K-12 school</i>				
General operating support		\$6,000	\$6,000	
Friends of Surmang				
Boulder, CO				
<i>Runs a health center in an ethnic Tibetan region of Qinghai Province, China</i>				
General operating support		\$2,000	\$2,000	
Friends' School				
Boulder, CO				
<i>Private pre-K-5 school</i>				
General operating support		\$2,000	\$2,000	
Friends Without a Border				
New York				
<i>Committed to improving the health and well-being of children in Cambodia</i>				
Support for the Angkor Hospital for Children		\$2,000	\$2,000	
Growing Gardens				
Portland, OR				
<i>Promotes home-scale organic food gardening to improve nutrition, health and self-reliance</i>				
General operating support		\$2,000	\$2,000	
Halifax Shambhala Center				
Halifax, Nova Scotia, Canada				
<i>Meditation Center</i>				
General operating support		\$2,000	\$2,000	
Hazelden Foundation				
Center City, MN				
<i>Treatment Center</i>				
General operating support		\$1,000	\$1,000	

Family Recommended Grants

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
Hill Museum and Manuscript Library				
Collegeville, MN				
<i>Dedicated to preserving endangered or significant manuscripts</i>				
General operating support		\$1,000	\$1,000	
Humane Society of the United States				
Washington, DC				
<i>Animal protection organization</i>				
General operating support		\$3,000	\$3,000	
"I Have a Dream" Foundation of Boulder				
Boulder, CO				
<i>Works to motivate and empower children from low-income communities to reach their education and career goals</i>				
General operating support		\$1,500	\$1,500	
Institute for the Study of Advanced Development				
Denver, CO				
<i>Studies advanced development in children and adults</i>				
General operating support		\$6,000	\$6,000	
Khyentse Foundation				
San Francisco, CA				
<i>Supports institutions and individuals engaged in the study and practice of Buddhism</i>				
General operating support		\$3,000	\$3,000	
Support for the Buddhist Literary Heritage Project		\$1,000	\$1,000	
Lotus Outreach				
San Diego, 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		\$1,000	\$1,000	

Family Recommended Grants

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
Midwest Art Conservation Center				
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	
Minneapolis Heart Institute Foundation				
Minneapolis				
<i>Supports education and research to prevent and eventually end heart disease</i>				
General operating support		\$1,000	\$1,000	
Minneapolis Institute of Arts				
Minneapolis				
<i>Art museum</i>				
General operating support		\$1,000	\$1,000	
Minnesota Dance Theatre and The Dance Institute				
Minneapolis				
<i>Dance company and school</i>				
General operating support		\$1,000	\$1,000	
Minnesota Public Radio				
St. Paul				
<i>Public service radio</i>				
Support for the capital campaign		\$2,000	\$2,000	
Minnesota Spay Neuter Assistance Program				
Plymouth, MN				
<i>Provides spay-neuter surgery to Minnesota shelters, rescue organizations and underserved populations</i>				
General operating support		\$1,000	\$1,000	
Minnetonka Center for the Arts				
Wayzata, MN				
<i>Visual arts education center</i>				
General operating support		\$2,000	\$2,000	

Family Recommended Grants

	Grant Commitments Payable at Beginning of Year	Commitments Made During Year	Paid During Year	Grant Commitments Payable at End of Year
Nalanda Translation Committee				
Halifax, Nova Scotia, Canada				
<i>Translates works for the public that propagate the Buddhist and Shambhala teachings</i>				
Project support for translations of sacred Buddhist texts				
		\$1,000	\$1,000	
Naropa University				
Boulder, CO				
<i>Liberal arts college</i>				
Support for scholarships				
		\$1,000	\$1,000	
The Nature Conservancy				
Minneapolis				
<i>Environmental and wildlife protection agency</i>				
General operating support				
		\$1,000	\$1,000	
Pheasants Forever				
Fergus Falls, MN				
<i>Dedicated to the conservation of pheasants, quail and other wildlife</i>				
General operating support				
		\$3,000	\$3,000	
Piedmont Council of the Arts				
Charlottesville, VA				
<i>Works to sustain the arts as an essential part of the quality of life in Charlottesville</i>				
General operating support				
		\$3,000	\$3,000	
Portland Shambhala Center				
Portland, OR				
<i>Meditation Center</i>				
General operating support				
		\$1,000	\$1,000	
Productive Alternatives				
Fergus Falls, MN				
<i>Provides services for individuals with disabilities</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
Project Kindle				
Santa Clarita, CA				
<i>Provides cost-free camping programs, year-round support and advocacy for children, young adults and families infected with or affected by HIV/AIDS</i>				
General operating support		\$6,000	\$6,000	
Project Success				
Minneapolis				
<i>Inspires young people to imagine, believe in, and act upon the possibilities in their own lives</i>				
General operating support		\$5,000	\$5,000	
Ramsey County Historical Society				
St. Paul				
<i>Historical agency</i>				
General operating support		\$1,000	\$1,000	
Romero Institute				
La Selva Beach, CA				
<i>Policy research firm</i>				
General operating support		\$5,000	\$5,000	
Santa Barbara Maritime Museum				
Santa Barbara, CA				
<i>Maritime museum</i>				
General operating support		\$1,000	\$1,000	
St. Anne's-Belfield School				
Charlottesville, VA				
<i>Private K-12 learning institution</i>				
General operating support		\$1,500	\$1,500	
St. Paul Academy & Summit School				
St. Paul				
<i>Private K-12 learning institution</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
TigerLion Arts				
Minneapolis				
<i>Aims to awaken and celebrate humanity's fundamental goodness through theatre and film</i>				
General operating support		\$1,500	\$1,500	
Project support for The Dragons are Singing Tonight		\$1,000	\$1,000	
Project support the research and development of a new play		\$2,000	\$2,000	
Union College				
Schenectady, NY				
<i>Private liberal arts college</i>				
General operating support		\$1,000	\$1,000	
University of Minnesota Foundation				
Minneapolis				
<i>Raises funds to support the University of Minnesota</i>				
General operating support for the Equine Center		\$1,000	\$1,000	
Women's Initiative				
Charlottesville, VA				
<i>Provides mental health services to women</i>				
Project support for Bienstar		\$3,000	\$3,000	
Xelias Aerial Arts School				
Minneapolis				
<i>Aerial arts school</i>				
General operating support		\$1,500	\$1,500	
Yale University				
New Haven, CT				
<i>Private liberal arts college</i>				
General operating support for the Yale School of Management		\$2,000	\$2,000	
Total Family Recommended Grants	—	\$106,000	\$106,000	—
Grand Totals	\$318,250	\$799,000	\$652,250	\$455,000

Unfunded Commitments

	2009 Payment	Balance as of 12/31/2009
EDUCATION		
Minnesota Historical Society		
Toward a \$50,000 pledge of project support for the Minnesota's Greatest Generation Project	\$10,000	\$20,000
BODY, MIND AND SPIRIT		
Abbott Northwestern Hospital Foundation		
Toward a \$100,000 pledge of project support for the Institute for Health and Healing's Transformative Nurse Program	\$20,000	\$40,000
Collegeville Institute for Ecumenical and Cultural Research		
Toward a \$25,000 pledge for the Faith Leadership for an Ecumenical Future Campaign	\$5,000	\$10,000
Institute for Agriculture and Trade Policy		
Toward a \$20,000 pledge of project support for the Local Foods program	\$10,000	\$10,000
THE ARTS		
Friends of Eastcliff		
Toward a \$100,000 pledge for restoration of the summerhouse		\$70,000
The Minnesota Opera		
Toward a \$25,000 pledge of endowment support for the Opera at the Ordway Initiative	\$5,000	\$5,000
Minnesota Shubert Performing Arts and Education Center		
Toward a \$50,000 pledge for the capital campaign	\$10,000	\$10,000
SteppingStone Theatre		
Toward a \$25,000 pledge for the capital campaign	\$5,000	\$10,000

Unfunded Commitments

	2009 Payment	Balance as of 12/31/2009
SOCIAL EMPOWERMENT		
CAPI		
Toward a \$60,000 pledge of general operating support	\$20,000	\$40,000
Commonbond Communities		
Toward a \$40,000 pledge for the capital campaign	\$10,000	\$10,000
Lutheran Social Service of Minnesota		
Toward a \$30,000 pledge of capital support for the Center for Changing Lives	\$10,000	\$10,000
Neighborhood Development Center		
Toward a \$60,000 pledge of support for the Midtown Global Market's Breakthrough Campaign	\$20,000	\$40,000
Women's Foundation of Minnesota		
Toward a \$30,000 pledge of project support for Building the Power of Immigrant and Refugee Women and Girls	\$10,000	\$20,000
Total Unfunded Commitments	\$135,000	\$295,000

Financial Statements of Assets and Principal Arising from Cash Transactions

DECEMBER 31, 2009 AND 2008

	Market (unaudited)		Cost	
	2009	2008	2009	2008
Assets				
Investments				
Stocks	\$8,061,433	\$6,081,105	\$7,893,642	\$8,103,068
U.S. government and agency obligations	\$1,598,007	\$1,597,646	\$1,532,197	\$1,475,204
Investment in limited partnerships	\$3,929,218	\$3,572,302	\$3,719,423	\$4,012,337
Cash and cash equivalents	\$276,239	\$672,106	\$276,239	\$672,106
<i>Total Investments</i>	\$13,864,897	\$11,923,159	\$13,421,501	\$14,262,715
<i>Principal arising from cash transactions</i>			\$13,421,501	\$14,262,715

Financial Statements of Cash Receipts and Disbursements and Changes in Principal

YEARS ENDED DECEMBER 31, 2009 AND 2008

	2009	2008
Receipts		
Dividends	\$155,190	\$140,571
Interest	\$87,918	\$117,076
Other portfolio (loss) income, net of excise tax	(\$55,365)	\$205,443
Total receipts	\$187,743	\$463,090
Disbursements		
General and administrative expenses	\$155,930	\$134,240
Investment management and custodial fees	\$148,314	\$148,279
Net loss on sales of investments	\$88,269	\$246,242
Charitable contributions	\$636,444	\$755,975
Total disbursements	\$1,028,957	\$1,284,736
Net decrease in principal for the year	(\$841,214)	(\$821,646)
Principal at beginning of year	\$14,262,715	\$15,084,361
Principal at end of year	\$13,421,501	\$14,262,715

Notes to Financial Statements

DECEMBER 31, 2009 AND 2008

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 and 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

The Foundation has adopted the provisions of FASB Accounting Standards Codification Topic ASC 740-10 (previously Financial Interpretation No. 48, *Accounting for Uncertainty in Income Taxes*, on January 1, 2009. The implementation of this standard had no impact on the financial statements.

The Foundation 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 ASC 740-10.

Subsequent Events

The Foundation has evaluated subsequent events through June 24, 2010, the date which the financial statements were available to be issued.

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 percent 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 two percent for the years ended December 31, 2009 and 2008.

Excise tax on net investment income includes \$5,132 refunded for 2008 overpayments and \$16,875 paid by the Foundation in 2008 relating to the 2008 excise tax balance.

Note 4. Commitments

At December 31, 2009, the Foundation has unpaid pledges for charitable contributions totaling \$405,000, payable over the next two years, and an aggregate total of \$455,000. The payments are expected as follows:

<u>Years Ending December 31,</u>	<u>Amount</u>
2010	\$225,000
2011	\$180,000
2012	\$10,000
2013	\$10,000
2014	\$10,000
Thereafter	\$20,000
	<u>\$455,000</u>

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 \$25,322 and \$39,533 in related-party administrative costs and grant fees in 2009 and 2008, 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>
2010	\$3,350
2011	\$3,350
2012	\$4,188
2013	\$4,355
2014	\$4,355
Thereafter	\$9,436
	<u>\$29,034</u>

Independent Auditor's Report
THE BOARD OF TRUSTEES
MARBROOK FOUNDATION
MINNEAPOLIS, MINNESOTA

In planning and performing our audit of the financial statements of **Marbrook Foundation** (the Foundation) as of and for the year ended December 31, 2009, in accordance with auditing standards generally accepted in the United States of America, we considered the Foundation's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in the Foundation's internal control to be significant deficiencies: *Internal Control over the Preparation and Review of the Financial Statements Being Audited*

The Foundation does not have an internal control system designed to provide for the preparation and review of the financial statements being audited. As auditors, we were requested to draft the financial statements and accompanying notes to the financial statements. This circumstance is not unusual in an organization of your size. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost or other considerations.

This communication is intended solely for the information and use of management, Board of Trustees, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Eide Bailly LLP
Minneapolis, Minnesota
June 24, 2010

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.

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.