

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF RAMSEY

SECOND JUDICIAL DISTRICT

File No. CS-58-302795

In the Matter of the Trust Created by
Article VII of the Last Will and Testament of
CHARLES K. BLANDIN,

Deceased.

**COMBINED ANNUAL REPORT
OF SPECIAL MASTER FOR
CALENDAR YEARS 2006-2011**

BACKGROUND

This report represents six (6) annual reports in a series of nine (9) annual reports issued by me as Special Master. I refer readers of this report to my prior reports which provide more details, background and explanations of my work as Special Master. The prior reports, the 990-PF tax returns, and audited financial statements for the Foundation can be reviewed at the Blandin Foundation website at www.blandinfoundation.org. Because I have previously explained the Blandin Foundation - Blandin Trust relationship, this report is limited to disclosing items of interest impacting grants or otherwise not disclosed in public documents. "Historical Comparisons," Exhibit 1, has been updated to provide readers with a snapshot of total assets and expenditures for comparative purposes.

Judge Margaret M. Marrinan of the Ramsey County District Court stated on November 20, 2009 that because of a decrease in the value of the investments, the 1990 Court Order may be modified in a fashion beneficial to the Grand Rapids vicinity. The Court has requested that the attorneys and members of the Board (of Trustees) and community who are involved take a hard and fast look at "whether perhaps the geographical area should be revisited and confined once

more (to Grand Rapids) or whether there is an instrument that would allow for expansion and contraction of that geographical area based on the loss of value to the corpus or perhaps in the future the enhancement of that corpus." After due consideration, it was concluded that the 55% grant minimum to Grand Rapids remain in effect.

The 2006 through 2011 annual cash grants are disclosed in the respective Blandin Foundation 990-PF tax returns, Schedules 20, 21 and 22, as either "Grand Rapids" or "Rural." Since readers may be unfamiliar with some of the terminology and charitable intent or direction behind certain grants, I have requested that grants be described with sufficient elaboration to indicate the purposes for which the funds were being provided. I emphasized the importance of communicating the extent of the grants made in the Grand Rapids area, and encouraged grants made for the benefit of the Grand Rapids vicinity not be combined with any "Rural" grants. There are a number of grants made to statewide organizations which are restricted to benefit specifically the Grand Rapids vicinity.

I requested, and the Foundation agreed, to utilize its calendar year 990-PF tax returns as the vehicle to provide detailed cash grant information to the public. Blandin also prepares and makes public an additional report directed solely to disclosing all "grants" accrued during a fiscal year.

Amounts Diverted from Grants or Programs

Blandin Foundation Debt

Because the community desired a new hospital and clinic as soon as possible, the Foundation for the first time borrowed money in 2004 to pay a large grant, \$20 million. For this reason, Blandin now pays for the use of borrowed capital. This borrowing resulted in the

following new categories of annual expenses, “interest on long-term debt,” and Letter of Credit fees, and resulted in the following annual expense amounts:

<u>Year</u>	<u>Cost of Issuance and Refinance</u>	<u>Annual Letter of Credit Fees</u>	<u>Annual Interest Expense</u>
2004	\$573,644	\$15,548	\$284,289
2005		59,852	758,529
2006		56,960	851,383
2007		53,918	765,922
2008		49,975	884,945
2009		48,083	735,301
2010	187,149	44,653	714,429
2011		40,993	562,431

Financing costs constitute administrative expenses not available for grants, programs, or Program Related Investments (PRI). There are also annual charges for bond rating services and bank trustee charges for administering the bonds. These charges are approximately \$12,000 annually.

Dollars spent in the Grand Rapids area have a multiplier impact and are potentially recirculated many times as these dollars change hands within the local community. Expenditures made in the requisite area give the full impact of the Foundation in the Grand Rapids area, whether spent for grants, operating programs, administration, or Program Related Investments (PRI).

**Program and Administrative Expenditures in the Grand Rapids Area
(Amounts self-reported by Blandin and not independently verified)**

Year:	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Payroll	\$1,745,688	\$1,580,000	\$1,500,187	\$1,605,713	\$1,828,892	\$2,040,753
Local Vendors	<u>1,000,000</u>	<u>1,550,000</u>	<u>1,083,381</u>	<u>953,319</u>	<u>1,065,589</u>	<u>960,928</u>
Total:	\$2,745,688	\$3,130,000	\$2,583,568	\$2,559,032	\$2,894,481	\$3,001,682

Year:	<u>2009</u>	<u>2010</u>	<u>2011</u>
Payroll	\$2,091,534	\$2,074,157	\$2,040,915
Local Vendors	<u>1,027,743</u>	<u>976,268</u>	<u>913,857</u>
Total:	\$3,119,276	\$3,050,425	\$2,954,772

Investment Management Fees and Income Taxes

I have not discussed these expenditures. Investment advice is expressly authorized by the terms of the Blandin Residuary Trust. Federal income taxes are imposed on Unrelated Business Income (UBI) of nonprofit entities, and a federal excise tax is imposed on investment income including capital gains. These tax expenses are incurred by both the Residuary Trust and the Foundation. Neither the Residuary Trust nor the Foundation pays Minnesota income taxes or local property taxes.

Self-Administered Grants (SA) and Programs

Classified in the Supplemental Information to the audited financial statements, but not in the 990-PF tax return for certain years, are "Other" Program Expenses. These are self-administered grants or grants to Blandin itself. These may be situations where either a 501(c)(3) organization is not in existence, or there is not the capability on the part of the grantee to effectively or efficiently handle an outright grant; therefore, Blandin administers the grant in a

fashion subject to expenditure responsibility. This approach is required by federal law and affords the Foundation the flexibility to attempt and test certain charitable endeavors to determine which are effective at promoting the intended purpose and should be expanded, abandoned, or more appropriately run as programs. These may become outright grants as the beneficiary develops its charitable focus. These self-administered grants are as follows:

<u>Year</u>	<u>Amount</u>
2003	\$ 79,735
2004	367,126
2005	496,733
2006	332,259
2007	156,977
2008	172,781
2009	None
2010	None
2011	None

Blandin no longer makes self-administered grants.

Included within the "Other" Operating Program Expenses in the audit reports are amounts classified as follows:

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Blandin Associates - program		\$ 3,816	\$	\$	\$	\$
Assessment Fund ¹ - program		69,362	415,773	271,645	105,280	153,043
Opportunity Fund ² - program		41,470	46,190	53,114	48,854	19,738
Baby Steps B2001-0002 - SA		75,303				
Broadband Dev B2003-0005 SA		34,935	24,728			
Community Guide to BB SA		10,153	42			
Kindergarten Assmt B2000-0008 SA		4,269				
MN Wood Camp B2003-0003 SA		67,500	10,000			
Rural Economic Dev 6 Regions		60,000				
B2003-0007 SA (Internal Grants)				7,500	2,843	
Plug - to total column		318				
TOTAL:		<u>\$79,735</u>	<u>\$367,126</u>	<u>\$496,733</u>	<u>\$332,259</u>	<u>\$156,977</u>
						<u>\$172,781</u>
TOTAL:		<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
		None	None	None		<u>2014</u>

I have encouraged, and Blandin has provided, an explanation and example of the development of its programs and grant functions and their interrelationship in supporting the Grand Rapids area.

Conversions in Grants or Programs

On a limited basis, it is possible for an expenditure which was treated in the past as a grant to evolve into a separate program or, vice versa, a program may be dropped in favor of an outright grant. Administrative expenses may also be subject to discretionary characterizations. I

¹ The "Assessment Fund" is part of an organization wide and program specific assessment process to improve the overall administrative operations and impact of grant making and operating programs of the Foundation and to share lessons learned.

² The "Opportunity Fund" is a board approved financial concept to designate a fund to allow the Foundation to respond quickly to emerging events in a constructive and proactive way that were not part of the adopted budgets.

encourage consistency and disclosure to the greatest extent possible. The Foundation has advised me that:

A. During 2006 there were three internal operating programs which were converted to grants and no grants converted to programs.

1.) Blandin Community Advantage Leadership Program

Grant issued to the Headwaters Regional Development Commission for project support to establish a community stewardship center for rural Minnesota communities.

G2006-0112 \$225,000

2.) Blandin Community Health Care Program.

Grant issued to Rural Health Resource Center to further develop and implement training materials created for the Blandin Health Care Leadership Program throughout rural Minnesota.

G2005-0106 \$750,000

3.) Blandin Community Education Program

Grant issued to Minnesota Association of School Administrators to support implementation of school improvement and community engagement training.

G2006-0198 \$50,000

Grant issued to Minnesota Rural Education Association for implementation of school improvement and community engagement training for 10-12 rural school districts in Minnesota.

G2006-0199 \$50,000

B. During 2007 there was one internal operating program converted to a grant and no grants converted to programs.

Blandin Editors and Publishers Leadership Program

Grant issued to Minnesota Newspaper Foundation for operating support for the Editors and Publishers Leadership Program to increase the community leadership capacity of rural newspaper publishers and editors.

G2007-0143 \$225,000

C. During years 2008 through 2011, there were no conversions of grants to programs or programs to grants.

Blandin has not relied upon the 2004 \$20 million Grand Itasca Clinic Hospital grant or the conservation easement grants to lower its commitment to making future additional grants to the Grand Rapids, MN vicinity.

Potential Reclassifications

In reviewing the 990-PF tax returns, either Schedules 20, 21, or 22, which disclose the grants paid each year, I noted that Rural Community grants list what would appear to be several grants outside of the State of Minnesota which more appropriately should be recorded as administrative expenses, i.e., memberships in various "national trade associations" for nonprofit entities. I have reviewed these items with Blandin and its legal counsel, and they have verified that these items are not "grants" to non-Minnesota charities but are appropriate administrative expenses. I have not reclassified these items, as any reclassification would result in a de minimis increase in the percentage of Grand Rapids vicinity grants. The expenditures and inadvertent misclassifications have not been detrimental to the Grand Rapids vicinity. I have requested that any future grants to these Minnesota organizations be more thoroughly explained. Minnesota nonprofit organization dues may be classified as rural grants. Future national membership dues and fees will be classified as administrative expenses by Blandin, and the local grant percentages will correspondingly be increased slightly.

In addition, a 2008 loan repayment to Blandin of \$624,500 of prior year Program Related Investments (PRI) to the Grand Rapids Economic Development Agency, treated as a negative grant, does not impact the rolling average determination. A 2008 \$250,000 PRI loan to the

Community Reinvestment Fund, a "Rural" item was mistakenly listed as grant payment and as such increases the total amount of "Rural" grants and total grants. These items have been adjusted for purposes of my report and have slightly increased the percentage of grants to the Grand Rapids vicinity. The tax returns have not been changed, as there is not a tax issue. I have been assured that future PRI loans and repayments will not be classified as grants. However, as I have stated in my prior reports, a net amount of PRI may be classified as a grant by me if there is not a reasonable expectation of repayment.

Two years ago, I issued a tentative report in which I deferred making findings with respect to the percent of grants considered "Grand Rapids" versus rural. As I indicated in that report, I did not believe that I had adequate criteria for establishing whether or not grants to The Conservation Fund and The Nature Conservancy along with miscellaneous conservation grants, in all totaling approximately \$16 million, were properly classified. (See attached Exhibit 2) Blandin initially concluded that 100% of the grants benefitted the Grand Rapids area as specified in the 2003 Stipulation identifying the geographic area which must receive 55% of all grant dollars. I sought direction from the Ramsey County District Court, Judge Margaret M. Marrinan, as to the appropriate interpretation of the Stipulation regarding the expenditures for easement grants. Other than bringing this matter to the attention of the Court, I did not advocate for any specific treatment. Such matters are appropriate for determination by the Ramsey County Probate Court which has jurisdiction over the Residuary Trust and must see that its terms are enforced. Judge Marrinan, after due consideration of arguments made by Blandin and its legal counsel, instructed that the easement grants located within the geographic area are to be considered local and benefitting the local area as intended by the Stipulation, and that grants for

easements existing outside the geographic area are to be considered rural and not benefitting the local area. Extraordinary grants of this type, while legal, are unusual in that they do not provide charitable dollars to organizations or individuals normally considered charitable beneficiaries. As a result, grant dollars were reclassified from being considered local to being classified rural. It should be noted that in performing this reclassification, Blandin utilized the number of acres within the Grand Rapids area and the number of acres outside of the Grand Rapids area, otherwise considered rural, in allocating its grant dollars. Blandin did not use the dollars actually spent within the Grand Rapids area and the dollars actually spent outside the Grand Rapids area in determining the local versus rural grant allocations. The Blandin treatment was more favorable to the local Grand Rapids area than the utilization of dollars actually spent for easements in the local area, which I would have accepted.

There have been rather extensive efforts on the part of Blandin and the Special Master to formulate an approach to grants, including novel grants, where there has been no history established, to properly classify grants as rural or local in compliance with the Stipulation. Blandin has made no request to attempt to modify the Stipulation in any fashion, and in arriving at the amounts for this six-year rolling period, criteria have been developed to assist Blandin personnel and the Special Master in being of one mind with regard to proper classification.

Blandin continues to be well in compliance with the Stipulation requirement that 55% of its grants be "local." Based on my review and findings, Blandin has a rolling average 64% local grant history from 2006 through 2011, well in excess of the 55% minimum required.

In arriving at these percentages, the treatment of grant refunds has been addressed, and for purposes of the percentage determination, all grant refunds are deducted from current year

grants since Blandin was given credit for a full grant at the time it was paid. Any refund should lower the local or rural grant total to which the refund relates. In addition, dollars advanced or repaid for Program Related Investments (PRI) are not to be considered grants and are to be accounted for separately as the Blandin tax return Form 990-PF provides. I have advised Blandin that it may disclose, and I would be pleased to report, the amount of PRI which benefits the local community. However, absent a change to the Stipulation, neither Blandin nor I are free to consider a legitimate PRI a grant. The definition of Program Related Investments under federal law is different from the definition of a grant. I reserve the right to reclassify in the event that an item is not properly characterized. However, this option is that of the Special Master and not Blandin's, absent a modification to the Stipulation.

Any re-grant amounts received from the federal government as part of the stimulus program for rural broadband were not considered part of the numerator or denominator in determining the total grants used to satisfy the Stipulation. Similarly, amounts that have been provided to Blandin by the State of Minnesota as a result of the settlement of lawsuits or claims have not been considered as part of the numerator or denominator in determining the local percentage. Finally, grants from other foundations to Blandin and provided as donor designated grants, are not part of the numerator or denominator for purposes of determining compliance with the Stipulation requirement. In developing the grant schedules for each of the six years in this rolling average period, most unintentional misclassifications on the part of Blandin have been corrected. Most of the misclassifications have been brought to my attention by Blandin, a further evidence of its good faith with respect to reporting these items and attempting to comply with the 2003 Stipulation. If an item is questionable, it is treated as a rural grant. This construction

benefits the local area which must receive a minimum of 55% of all Blandin grants using Blandin funds.

It should be noted, in closing, that I continue to work with Blandin, particularly on areas involving the ability of Blandin to continue to have sufficient grant dollars to assist the community. I commend the organization, its personnel, and its trustees for their dedication to the objectives of this organization. While Blandin remains dynamic and "a work in process" the local community remains foremost in the concern of the Special Master and the Foundation.

GRANTS BY LOCATION AND PERCENTAGE

In reliance on the accuracy of both the independently audited financial statements (subject to a materiality standard) and the Foundation's original or subsequently Amended 2006, 2007, 2008, 2009, 2010, and 2011 U.S. Return of Private Foundation (Form 990-PF) (subject to a statutory standard), which amounts are utilized by me if different from the audited financial statements for purposes of this report, and since no objections were raised over the classification of 2006, 2007, 2008, 2009, 2010, and 2011 grants listed individually on either Schedules 20, 21, or 22 of the respective year's tax returns, and since Blandin and I have made mutually agreed reclassifications other than the above-referenced minor misclassifications, I make the following Findings of Fact:

FINDINGS OF FACT

That total cash grants of \$7,339,357 were made for the benefit of the Grand Rapids, MN vicinity in the year 2006.

That total cash grants of \$6,355,760 were made for the benefit of outstate rural Minnesota in the year 2006.

That 53.6% of cash grants were made for the benefit of the Grand Rapids, MN area in the year 2006.

That the rolling average percentage of cash grants made through December 31, 2006 for the benefit of the Grand Rapids, MN vicinity equals 75.7% of total cash grants. See Exhibit 3-1 for the schedule disclosing annual percentages and rolling average percentages.

That total cash grants of \$9,269,405 were made for the benefit of the Grand Rapids, MN vicinity in the year 2007.

That total cash grants of \$7,724,493 were made for the benefit of outstate rural Minnesota in the year 2007.

That 54.5% of cash grants were made for the benefit of the Grand Rapids, MN area in the year 2007.

That the rolling average percentage of cash grants made through December 31, 2007 for the benefit of the Grand Rapids, MN vicinity equals 71.1% of total cash grants. See Exhibit 3-1 for the schedule disclosing annual percentages and rolling average percentages.

That total cash grants of \$7,842,539 were made for the benefit of the Grand Rapids, MN vicinity in the year 2008.

That total cash grants of \$4,421,314 were made for the benefit of outstate rural Minnesota in the year 2008.

That 63.9% of cash grants were made for the benefit of the Grand Rapids, MN area in the year 2008.

That the rolling average percentage of cash grants made through December 31, 2008 for the benefit of the Grand Rapids, MN vicinity equals 70.2% of total cash grants. See Exhibit 3-1

for the schedule disclosing annual percentages and rolling average percentages.

That total cash grants of \$6,049,916 were made for the benefit of the Grand Rapids, MN vicinity in the year 2009.

That total cash grants of \$3,015,684 were made for the benefit of outstate rural Minnesota in the year 2009.

That 66.7% of cash grants were made for the benefit of the Grand Rapids, MN area in the year 2009.

That the rolling average percentage of cash grants made through December 31, 2009 for the benefit of the Grand Rapids, MN vicinity equals 71.4% of total cash grants. See Exhibit 3-2 for the schedule disclosing annual percentages and rolling average percentages.

That total cash grants of \$12,571,531 were made for the benefit of the Grand Rapids, MN vicinity in the year 2010.

That total cash grants of \$4,307,648 were made for the benefit of outstate rural Minnesota in the year 2010.

That 74.5% of cash grants were made for the benefit of the Grand Rapids, MN area in the year 2010.

That the rolling average percentage of cash grants made through December 31, 2010 for the benefit of the Grand Rapids, MN vicinity equals 63.1% of total cash grants. See Exhibit 3-2 for the schedule disclosing annual percentages and rolling average percentages.

That total cash grants of \$9,315,795 were made for the benefit of the Grand Rapids, MN vicinity in the year 2011.

That total cash grants of \$3,604,934 were made for the benefit of outstate rural Minnesota in the year 2011.

That 72.1% of cash grants were made for the benefit of the Grand Rapids, MN area in the year 2011.

That the rolling average percentage of cash grants made through December 31, 2011 for the benefit of the Grand Rapids, MN vicinity equals 64.0% of total cash grants. See Exhibit 3-2 for the schedule disclosing annual percentages and rolling average percentages.

That the Blandin Foundation continues to be in compliance with the six (6) year 55% rolling average grant requirement of the December 17, 2003 Ramsey County District Court Order.

Respectfully submitted,



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Dated: Nov. 29, 2012

C. K. BLANDIN FOUNDATION
Historical Comparisons

Year	Combined Assets (Fair Market Value) Source: 990-PF	Receipts (Accrual Basis) 990-PF	Grants (Cash Basis) 990-PF	Program Expenses (Accrual Basis) Audit	Administrative Expenses (Accrual Basis) Audit	Total Program and Administrative Expenses (Cash Basis) 990-PF	Total Program and Administrative Expenses (Accrual Basis)
1998	N/A	\$20,555,106	\$13,627,691	N/A	\$ 2,473,819	\$3,446,491	\$3,750,758
1999	\$407,930,875	23,875,762	11,853,548	\$2,123,598 (Partial)	2,452,250	2,004,272	2,440,750
2000	457,940,059	21,771,591	13,601,341	2,569,602	2,344,117	4,034,438	4,853,596
2001	389,600,831	21,160,961	15,418,132	2,719,566	2,443,550	4,608,556	5,111,053
2002	333,701,300	15,328,613	9,949,739	3,361,858	* 1,730,594	4,809,037	** 5,199,026
2003	386,458,834	17,144,166	8,929,673	3,893,635	* 2,618,285	6,274,680	** 6,663,731
2004	413,253,276	19,286,568	30,006,595	3,897,987	* 2,490,725	5,872,713	** 6,552,477
2005	423,323,009	22,526,467	8,976,419	3,656,672	* 2,765,678	6,269,020	** 6,642,672
2006	464,296,136	21,789,236	13,720,117	3,760,910	* 3,272,517	6,676,969	** 7,298,789
2007	472,839,298	30,395,870	17,077,344	4,132,314	* 3,383,896	6,946,615	** 7,842,028
2008	331,825,635	18,692,264	13,915,649	4,505,006	* 3,349,621	8,074,599	** 8,157,274
2009	386,166,167	13,492,457	9,067,801	4,275,830	* 3,248,309	7,271,107	** 7,745,942
2010	406,456,948	23,280,216	18,207,731	*** 4,336,078	* 3,868,532	7,569,254	** 8,434,539
2011	381,260,734	22,687,228	15,221,483	*** 4,028,680	* 3,387,998	7,387,780	** 7,664,814

* The administrative expenses in the audit column do not include investment expenses which are netted against investment income for audit presentation.

** The 990-PF reports investment expense as part of administrative expenses.

*** Includes Federal ARRA program costs which are reimbursed by the federal government.

Blandin Foundation

Grants Paid Relating to Minnesota Forest Legacy Partnership and Conservation Easement Acquisition or Conservation

Classification	Year	Grantee	Description	Location	Amount
Rural	2004	U of M, Cloquet Forestry Center	G2004-0041	Cloquet, MN	\$ 95,000
Rural	2004	U of M, College of Natural Resources	G2004-0035	Minneapolis, MN	179,000
Rural	2004	Aitkin County	G2003-0024	Aitkin County, MN	4,000
Rural	2005	MN Dept. of Natural Resources	G2004-0070	St. Paul, MN	47,000
Rural	2005	Aitkin County	G2003-0024	Aitkin County, MN	4,000
Rural	2005	U of M, Cloquet Forestry Center	G2004-0041	Cloquet, MN	60,000
Rural	2005	MN Logger Education Program, Duluth	G2004-0040	Duluth, MN	60,000
Rural (reclassified)	2006	The Nature Conservancy	G2005-0093	Arlington, VA	2,150,000
Local	2006	Grand Rapids Area Community Foundation	G2005-0068	Grand Rapids, MN	40,000
Local	2006	The Conservation Fund	G2005-0165	Duluth, MN	20,000
Rural	2006	U of M, Minneapolis	G2006-0202	Minneapolis, MN	50,000
Rural	2006	Aitkin County	G2003-0024	Aitkin County, MN	4,000
Rural	2006	U of M, Cloquet, Forestry Center	G2004-0041	Cloquet, MN	60,000
Rural	2006	MN Logger Education Program Duluth	G2004-0040	Duluth, MN	60,000
Local	2007	Grand Rapids Area Community Foundation	G2005-0068	Grand Rapids, MN	40,000
Rural (reclassified)	2007	The Nature Conservancy	G2005-0093	Arlington, VA	2,622,715 1,193,179
Rural	2007	Aitkin County	G2003-0024	Aitkin County, MN	4,000
Rural	2008	The Nature Conservancy - regrant, donor designated	D2007-0001	Arlington, VA	1,000,000
Local	2008	Grand Rapids Area Community Foundation	G2008-0207	Grand Rapids, MN	10,000
Rural	2008	MN Forest Resources Council	G2007-0278	St. Paul, MN	100,000
Rural	2009	The Nature Conservancy - regrant, donor designated	D2008-0001	Arlington, VA	750,000
Local	2009	The Conservation Fund	G2008-0387	Duluth, MN	150,000
Local	2009	The Conservation Fund	G2009-0107	Duluth, MN	100,000
Rural	2009	Friends of the Minnesota Valley	G2010-0022	Bloomington, MN	5,000
Rural	2009	MN Environmental Partnership	G2009-0321	St. Paul, MN	16,000
Local	2010	The Conservation Fund	G2009-0107	Grand Rapids, MN	7,000,000
Total:					\$15,823,894

C. K. BLANDIN FOUNDATION

**Grants by Location
Annual Percentages and
Rolling Average Percentages
(See Annual Form 990-PF Statements for Detail)**

Location	2003 Amounts	2003 %	2004 Amounts	2004 %	2004 Rolling Average %	2005 Amounts	2005 %	2005 Rolling Average %
Grand Rapids Vicinity	\$4,812,576	53.9%	\$28,422,350	94.7%	85.4%	\$6,062,078	67.5%	82%
Outstate Rural Minnesota	4,117,097	46.1%	1,584,245	5.3%	14.6%	2,914,341	32.5%	18%
Total Grants	\$8,929,673	100 %	\$30,006,595	100 %	100 %	\$8,976,419	100%	100%

	2006 Amounts	2006 %	2006 Rolling Average %	2007 Amounts	2007 %	2007 Rolling Average %	2008 Amounts	2008 %	2008 Rolling Average %
Local	\$7,339,357	53.6%	75.7%	\$9,269,405	54.5%	71.1%	\$ 7,842,539	63.9%	70.2%
Rural	6,355,760	46.4%	24.3%	7,724,493	45.5%	28.9%	4,421,314	36.1%	29.8%
Total	\$13,695,117	100%	100%	\$16,993,898	100%	100%	\$12,263,853	100%	100%

Note: Grant amounts are determined from publicly reported grant detail listed in the Foundation's tax returns, Form 990-PF. The listed amounts have been adjusted by the Court appointed Special Master to comply with requirements of the 2003 Ramsey County Minnesota Court Order requiring a minimum 6-year rolling average of 55% local grants.

C. K. BLANDIN FOUNDATION

Grants by Location
Annual Percentages and
Rolling Average Percentages
(See Annual Form 990-PF Statements for Detail)

	2009 Amounts	2009 %	2009 Rolling Average %	2010 Amounts	2010 %	2010 Rolling Average %	2011 Amounts	2011 %	2011 Rolling Average %
Local	\$6,049,916	66.7%	71.4%	\$12,571,531	74.5%	63.1%	\$9,315,795	72.1%	64.0%
Rural	3,015,684	33.3%	28.6%	4,307,648	25.5%	36.9%	3,604,934	27.9%	36.0%
Total	\$9,065,600	100%	100%	\$16,879,179	100%	100%	\$12,920,729	100%	100%

	2012 Amounts	2012 %	2012 Rolling Average %	2013 Amounts	2013 %	2013 Rolling Average %	2014 Amounts	2014 %	2014 Rolling Average %
Local									
Rural									
Total									

Note: Grant amounts are determined from publicly reported grant detail listed in the Foundation's tax returns, Form 990-PF. The listed amounts have been adjusted by the Court appointed Special Master to comply with requirements of the 2003 Ramsey County Minnesota Court Order requiring a minimum 6-year rolling average of 55% local grants.