

**Return of Private Foundation  
or Section 4947(a)(1) Nonexempt Charitable Trust  
Treated as a Private Foundation**

**2006**

Department of the Treasury  
Internal Revenue Service

*Note: The foundation may be able to use a copy of this return to satisfy state reporting requirements.*

For calendar year 2006, or tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

**G** Check all that apply:  Initial return  Final return  Amended return  Address change  Name change

**Use the IRS label.** Name of foundation: **C.K. BLANDIN FOUNDATION**

**Otherwise, print or type.** Number and street (or P.O. box number if mail is not delivered to street address) Room/suite: **100 N POKEGAMA AVENUE**

**See Specific Instructions.** City or town, state, and ZIP code: **GRAND RAPIDS, MN 55744**

**A** Employer identification number: **41-6038619**

**B** Telephone number: **218-326-0523**

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

**C** If exemption application is pending, check here

**D** 1. Foreign organizations, check here   
2. Foreign organizations meeting the 85% test, check here and attach computation

**I** Fair market value of all assets at end of year (from Part II, col. (c), line 16): **\$ 464,296,136.** (Part I, column (d) must be on cash basis.)

**J** Accounting method:  Cash  Accrual  Other (specify) \_\_\_\_\_

**E** If private foundation status was terminated under section 507(b)(1)(A), check here

**F** If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

<b>Part I</b> Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)</small>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>Revenue</b>	1 Contributions, gifts, grants, etc., received	18,886,921.			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	973,605.	973,605.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	1,916,517.			
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		4,123,954.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss)					
11 Other income	12,193.	217,032.		STATEMENT 2	
12 Total. Add lines 1 through 11	21,789,236.	5,314,591.			
<b>Operating and Administrative Expenses</b>	13 Compensation of officers, directors, trustees, etc. <b>STMT 13</b>	464,877.	0.	0.	470,339.
	14 Other employee salaries and wages	1,305,185.	0.	0.	1,305,779.
	15 Pension plans, employee benefits	588,987.	0.	0.	582,048.
	16a Legal fees <b>STMT 3</b>	186,127.	0.	0.	186,127.
	b Accounting fees <b>STMT 4</b>	37,407.	0.	0.	37,407.
	c Other professional fees <b>STMT 5</b>	1,873,891.	234,083.	0.	1,772,492.
	17 Interest	851,383.	0.	0.	830,284.
	18 Taxes <b>STMT 6</b>	213,180.	0.	0.	1,144.
	19 Depreciation and depletion	259,913.	0.	0.	
	20 Occupancy	141,727.	0.	0.	137,820.
	21 Travel, conferences, and meetings <b>STMT 24</b>	663,716.	0.	0.	658,342.
	22 Printing and publications	219,269.	0.	0.	185,008.
23 Other expenses <b>STMT 7</b>	481,126.	0.	0.	497,179.	
24 Total operating and administrative expenses. Add lines 13 through 23 <b>SEE FOOTNOTE</b>	7,286,788.	234,083.	0.	6,663,969.	
25 Contributions, gifts, grants paid	9,331,239.			13,733,117.	
26 Total expenses and disbursements. Add lines 24 and 25	16,618,027.	234,083.	0.	20,397,086.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	5,171,209.				
b Net investment income (if negative, enter -0-)		5,080,508.			
c Adjusted net income (if negative, enter -0-)			0.		

LHA For Privacy Act and Paperwork Reduction Act Notice, see the instructions.

**SEE STATEMENT 18 FOR A NARRATIVE REGARDING THE FOUNDATION'S CHARITABLE OPERATING PROGRAM AND STATEMENT 26 FOR A BREAKDOWN OF ADMINISTRATIVE VS. CHARITABLE OPERATING PROGRAM EXPENSE.**

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only.		
		Beginning of year (a) Book Value	End of year (b) Book Value (c) Fair Market Value	
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	3,329,422.	2,595,018.	2,595,018.
	3 Accounts receivable ▶ 11,273.			
	Less: allowance for doubtful accounts ▶	11,593.	11,273.	11,273.
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable	250,000.	250,000.	250,000.
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	144,019.	158,554.	158,554.
	10a Investments - U.S. and state government obligations STMT 9	9,764,690.	8,201,050.	8,201,050.
	b Investments - corporate stock STMT 10	35,600,614.	31,572,501.	31,572,501.
	c Investments - corporate bonds			
Liabilities	11 Investments - land, buildings, and equipment: basis ▶			
	Less: accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT STMT 12	13,876,334.	26,063,840.	26,063,840.
	14 Land, buildings, and equipment: basis ▶ 16 6,920,650.			
	Less: accumulated depreciation ▶	3,231,943.	3,109,680.	3,109,680.
	15 Other assets (describe ▶ STATEMENT 11)	357,114,394.	392,334,220.	392,334,220.
	16 Total assets (to be completed by all filers)	423,323,009.	464,296,136.	464,296,136.
	17 Accounts payable and accrued expenses	753,292.	849,407.	
	18 Grants payable STMT 22	18,983,478.	14,581,600.	
19 Deferred revenue				
20 Loans from officers, directors, trustees, and other disqualified persons				
21 Mortgages and other notes payable	19,075,000.	18,055,000.		
22 Other liabilities (describe ▶)				
23 Total liabilities (add lines 17 through 22)	38,811,770.	33,486,007.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ▶ <input checked="" type="checkbox"/>			
	24 Unrestricted	29,307,652.	40,497,589.	
	25 Temporarily restricted			
	26 Permanently restricted	355,203,587.	390,312,540.	
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
29 Retained earnings, accumulated income, endowment, or other funds				
30 Total net assets or fund balances	384,511,239.	430,810,129.		
31 Total liabilities and net assets/fund balances	423,323,009.	464,296,136.		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	384,511,239.
2 Enter amount from Part I, line 27a	2	5,171,209.
3 Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 8	3	41,127,681.
4 Add lines 1, 2, and 3	4	430,810,129.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	430,810,129.

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a				
b	<b>SEE ATTACHED STATEMENT 25</b>			
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e			<b>4,123,954.</b>	
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a				
b				
c				
d				
e			<b>4,123,954.</b>	
2	Capital gain net income or (net capital loss). <small>{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }</small>		2	<b>4,123,954.</b>
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): <small>If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8</small>		3	<b>N/A</b>

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?  Yes  No

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

1 Enter the appropriate amount in each column for each year; see instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2005	15,417,367.	50,212,507.	.307042
2004	35,957,818.	46,609,187.	.771475
2003	15,303,174.	39,584,487.	.386595
2002	16,788,906.	37,020,792.	.453499
2001	20,104,222.	44,270,429.	.454123
2	Total of line 1, column (d)		2.372734
3	Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years		.474547
4	Enter the net value of noncharitable-use assets for 2006 from Part X, line 5		64,714,152.
5	Multiply line 4 by line 3		30,709,907.
6	Enter 1% of net investment income (1% of Part I, line 27b)		50,805.
7	Add lines 5 and 6		30,760,712.
8	Enter qualifying distributions from Part XII, line 4 <small>If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.</small>		20,535,531.

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling letter: _____ (attach copy of ruling letter if necessary-see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	101,610.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0.
3	Add lines 1 and 2	3	101,610.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0.
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	101,610.
6	Credits/Payments:		
a	2006 estimated tax payments and 2005 overpayment credited to 2006	6a	74,876.
b	Exempt foreign organizations - tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	164,000.
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	238,876.
8	Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	137,266.
11	Enter the amount of line 10 to be: Credited to 2007 estimated tax <input type="checkbox"/> 137,266. Refunded <input type="checkbox"/>	11	0.

**Part VII-A Statements Regarding Activities**

	Yes	No
1a		X
1b		X
1c		X
2		X
3	X	
4a	X	
4b	X	
5		X
6	X	
7	X	
8a		
8b	X	
9		X
10		X

Part VII-A Statements Regarding Activities Continued

11a At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)?
11b If "Yes," did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in the attachment for line 11a?
12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract?
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?
14 The books are in care of JEAN LANE Telephone no. 218-326-0523
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here

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

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

1a During the year did the foundation (either directly or indirectly):
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?
(6) Agree to pay money or property to a government official?
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)?
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2006?
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):
a At the end of tax year 2006, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2006?
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income?
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?
b If "Yes," did it have excess business holdings in 2006 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period?
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2006?

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

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?  Yes  No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?  Yes  No

(3) Provide a grant to an individual for travel, study, or other similar purposes?  Yes  No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?  Yes  No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?  Yes  No

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

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?  Yes  No  
*If "Yes," attach the statement required by Regulations section 53.4945-5(d).*

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No **6b**  X  
*If you answered "Yes" to 6b, also file Form 8870.*

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?  Yes  No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?  Yes  No **7b** N/A

**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**

**1 List all officers, directors, trustees, foundation managers and their compensation.**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 13		464,877.	27,294.	23,591.

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

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
JIM KRILE	PROGRAM DIRECTOR			
100 N. POKEGAMA AVE. GRAND RAPIDS, MN	45.00	135,065.	28,104.	268.
JANET BORTH	HR MANAGER			
100 N. POKEGAMA AVE. GRAND RAPIDS, MN	45.00	82,657.	9,869.	6.
WADE FAUTH	GRANTS DIRECTOR			
100 N. POKEGAMA AVE. GRAND RAPIDS, MN	45.00	105,736.	16,819.	1,447.
BERNADINE JOSELYN	PROGRAM DIRECTOR			
100 N. POKEGAMA AVE. GRAND RAPIDS, MN	45.00	107,767.	21,445.	8,095.
PATRICK MARX	COMMUNICATIONS DIR.			
100 N. POKEGAMA AVE. GRAND RAPIDS, MN	45.00	129,371.	17,529.	4,999.
Total number of other employees paid over \$50,000				4

Form 990-PF (2006)

SEE STATEMENT 17 FOR MONITORING REPORT ON CURRENT AND PRIOR YEARS GRANTS SUBJECT TO EXPENDITURE RESPONSIBILITY REPORTING.

**Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *Continued*

**3** Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
CINDY WILCOX 14510 WOODRUFF RD., WAYZATA, MN 55391	LEADERSHIP DEVELOPMENT /SENIOR	137,913.
MINNESOTA RURAL PARTNERS, LLC 1533 GRANTHAM ST, ST. PAUL, MN 55108	PUBLIC POLICY & ENGAGEMENT	111,994.
MEASE & TRUDEAU, INC. 821 RAYMOND AVE, SUITE 300, ST. PAUL, MN 55114	LEADERSHIP DESIGN & TRAINING	111,338.
GARY FIELDS DEVELOPMENT STRATEGIES 1759 YORKSHIRE AVE, ST PAUL, MN 55116	PUBLIC POLICY & ENGAGEMENT	73,727.
MOSS CAIRNS LLC 1766 JAMES AVE S, MINNEAPOLIS, MN 55403	PUBLIC POLICY & ENGAGEMENT	84,069.
Total number of others receiving over \$50,000 for professional services		6

**Part IX-A** Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 SEE STATEMENTS 18 & 26 FOR DETAIL OF DIRECT CHARITABLE ACTIVITIES.	3,760,910.
2	
3	
4	

**Part IX-B** Summary of Program-Related Investments

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

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	65,021,846.
b	Average of monthly cash balances	1b	300,628.
c	Fair market value of all other assets	1c	377,173.
d	Total (add lines 1a, b, and c)	1d	65,699,647.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	65,699,647.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	985,495.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	64,714,152.
6	Minimum investment return. Enter 5% of line 5	6	3,235,708.

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

1	Minimum investment return from Part X, line 6	1	3,235,708.
2a	Tax on investment income for 2006 from Part VI, line 5	2a	101,610.
b	Income tax for 2006. (This does not include the tax from Part VI.)	2b	94,419.
c	Add lines 2a and 2b	2c	196,029.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	3,039,679.
4	Recoveries of amounts treated as qualifying distributions	4	5,313.
5	Add lines 3 and 4	5	3,044,992.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	3,044,992.

**Part XII** Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	20,397,086.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	138,445.
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	20,535,531.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	20,535,531.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

**Part XIII** Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2005	(c) 2005	(d) 2006
1 Distributable amount for 2006 from Part XI, line 7				3,044,992.
2 Undistributed income, if any, as of the end of 2005:				
a Enter amount for 2005 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2006:				
a From 2001				
b From 2002				
c From 2003				
d From 2004	816,965.			
e From 2005	12967400.			
f Total of lines 3a through e	13,784,365.			
4 Qualifying distributions for 2006 from Part XII, line 4: ▶ \$ 20,535,531.				
a Applied to 2005, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2006 distributable amount				3,044,992.
e Remaining amount distributed out of corpus	17,490,539.			
5 Excess distributions carryover applied to 2006 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	31,274,904.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2005. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2006. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2007				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3)	17,806,844.			
8 Excess distributions carryover from 2001 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2007. Subtract lines 7 and 8 from line 6a	13,468,060.			
10 Analysis of line 9:				
a Excess from 2002				
b Excess from 2003				
c Excess from 2004				
d Excess from 2005				
e Excess from 2006	13,468,060.			

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2006, enter the date of the ruling

b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

Table with 5 columns: (a) 2006, (b) 2005, (c) 2004, (d) 2003, (e) Total. Rows include 2a-e (Qualifying distributions) and 3a-d (Alternative tests).

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year-see page 28 of the instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000).

NONE

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

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds.

a The name, address, and telephone number of the person to whom applications should be addressed:

SEE STATEMENT 19

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

SEE STATEMENT 19

c Any submission deadlines:

SEE STATEMENT 19

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

SEE STATEMENT 19

**Part XV** Supplementary Information (continued)

**3** Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<i>a</i> Paid during the year				
COMMUNITY GRANTS - SEE STATEMENT 20				4,023,760.
GRAND RAPIDS/ITASCA COUNTY AREA GRANTS - SEE STATEMENT 20				9,709,357.
<b>Total</b>				<b>▶ 3a</b> 13,733,117.
<i>b</i> Approved for future payment				
COMMUNITY GRANTS - SEE STATEMENT 22				3,796,185.
DISCOUNTS				-473,424.
GRAND RAPIDS/ITASCA COUNTY AREA GRANTS - SEE STATEMENT 22				11,258,839.
<b>Total</b>				<b>▶ 3b</b> 14,581,600.





**Investor Reporting of Tax Shelter Registration Number**

▶ Attach to your tax return.

OMB No. 1545-0681

Department of the Treasury  
Internal Revenue Service

▶ If you received this form from a partnership, S corporation, or trust, see the instructions.

Attachment  
Sequence No. **71**

Investor's name(s) shown on return <b>PARTNER # 11</b> <b>CHARLES K. BLANDIN FOUNDATION</b>		Investor's identifying number <b>41-6038619</b>	Investor's tax year ended <b>12/31/2006</b>
	(a) Tax Shelter Name	(b) Tax Shelter Registration Number (11 digit number)	(c) Tax Shelter Identifying Number
1	<b>ABS CAPITAL PARTNERS II, L.P.</b>	<b>96044000154</b>	<b>52-1972908</b>
2			
3			
4			
5			
6			
7			
8			
9			
10			

**What's New**

After October 22, 2004, tax shelter registration numbers are no longer being issued. The American Jobs Creation Act of 2004 amended section 6111 to replace the tax shelter registration requirement with a new disclosure requirement for material advisors who provide material aid, assistance, or advice with respect to any reportable transaction. For more information, see Notice 2004-80, 2004-50 I.R.B. 963. However, Form 8271 must be filed for any year you claim or report income or a deduction, loss, credit, or other tax benefit from a registration-required tax shelter.

**General Instructions**

Section references are to the Internal Revenue Code.

**Purpose of Form**

Use Form 8271 to report the tax shelter registration number the IRS assigns to certain tax shelters required to be registered under section 6111 ("registration-required tax shelters") and to report the name identifying number of the tax shelter. This information must be reported even if the particular interest is producing net income for the filer of Form 8271. Use additional forms to report more than 10 tax shelter registration numbers.

Note: A tax shelter registration number does not indicate that the tax shelter or its claimed tax benefits have been reviewed, examined, or approved by the IRS.

**Who Must File**

Any person claiming or reporting any deduction, loss, credit, or other tax benefit, or reporting any income on any tax return from an interest purchased or otherwise acquired in a registration-required tax shelter must file Form 8271. If the interest is purchased or otherwise acquired by a pass-through entity, both the pass-through entity and its partners, shareholders, or beneficiaries must file Form 8271.

A pass-through entity that is the registration-required tax shelter does not have to prepare Form 8271 and give copies to its partners, shareholders, or beneficiaries unless the pass-through entity itself has invested in a registration-required tax shelter.

Note: Even if you have an interest in a registration-required tax shelter, you do not have to file Form 8271 if you did not claim or report any deduction, loss, credit, or other tax benefit, or report any income on your tax return from an interest in the registration-required tax shelter. This could occur, for example, if for a particular year you are unable to

claim any portion of a loss because of the passive activity loss limitations, and that loss is the only tax item reported to you from the shelter.

**Filing Form 8271**

Attach Form 8271 to any return on which a deduction, loss, credit, or other tax benefit is claimed or reported, or any income reported, from an interest in a registration-required tax shelter. These returns include applications for tentative refunds (Form 1045 and 1139) and amended returns (Form 1040X and 1120X).

**Furnishing Copies of Form 8271 to Investors**

A pass-through entity that has invested in a registration-required tax shelter must furnish copies of its Form 8271 to its partners, shareholders, or beneficiaries.

However, in the case where (a) the pass-through entity acquired at least a 50% interest in one tax year in a registered tax shelter (and in which it had not held an interest in a prior year), and (b) the investment would not meet the definition of a tax shelter immediately following the acquisition if it had been offered for sale at that time, the pass-through entity need not distribute copies of Form 8271 to its investors. The pass-through entity alone is required to prepare Form 8271 and include it with the entity tax return.

**Schedule of Contributors**

Supplementary Information for  
 line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

**2006**

Name of organization  <b>C.K. BLANDIN FOUNDATION</b>	Employer identification number  <b>41-6038619</b>
--	---

Organization type (check one):

- | Filers of:         | Section:                            |  |
|--------------------|-------------------------------------|--|
| Form 990 or 990-EZ | <input type="checkbox"/>            | 501(c)( ) (enter number) organization  |
|                    | <input type="checkbox"/>            | 4947(a)(1) nonexempt charitable trust <b>not</b> treated as a private foundation |
|                    | <input type="checkbox"/>            | 527 political organization   |
| Form 990-PF        | <input checked="" type="checkbox"/> | 501(c)(3) exempt private foundation  |
|                    | <input type="checkbox"/>            | 4947(a)(1) nonexempt charitable trust treated as a private foundation            |
|                    | <input type="checkbox"/>            | 501(c)(3) taxable private foundation   |

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule-see instructions.)

**General Rule-**

- For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

**Special Rules-**

- For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)
- For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)
- For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ..... ► \$ \_\_\_\_\_

**Caution:** Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization

Employer identification number

**C.K. BLANDIN FOUNDATION**

**41-6038619**

**Part I Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	C.K. BLANDIN RESIDUARY TRUST, EIN: 41-6012374, ACCOUNT 11596  100 N POKEGAMA AVENUE  GRAND RAPIDS, MN 55744	\$ 18,886,921.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

