Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2007

Open to Public Inspection

A For the 2007 calendar year, or tax year beginning July 1 **, 2007, and ending** June 30 **, 20**08

B Check if applicable
- [ ] Address change
- [ ] Name change
- [ ] Initial return
- [ ] Termination
- [x] Amended return
- [ ] Application pending

Please use IRS label or print or type See Specific Instructions

C Name of organization: North Dakota State University Development Foundation

Number and street (or P O box if mail is not delivered to street address) | Room/suite: PO BOX 5144

City or town, state or country, and ZIP + 4: FARGO, ND 58105-5144

D Employer identification number 23-7120898

E Telephone number 701-231-6800

F Accounting method ☐ Cash ☒ Accrual ☐ Other (specify) ▶

• **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).**

H and I are not applicable to section 527 organizations

H(a) Is this a group return for affiliates? ☐ Yes ☒ No

H(b) If "Yes," enter number of affiliates ▶

H(c) Are all affiliates included? ☐ Yes ☒ No (If "No," attach a list See instructions)

H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No

I Group Exemption Number ▶

G Website ▶ WWW.NDSUFOUNDATION.ORG

J Organization type (check only one) ▶ ☒ 501(c) (3)◀ (insert no) ☐ 4947(a)(1) or ☐ 527

K Check here ▶ ☐ if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than $25,000 A return is not required, but if the organization chooses to file a return, be sure to file a complete return

M Check ▶ ☐ if the organization is **not** required to attach Sch B (Form 990, 990-EZ, or 990-PF)

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 69,859,842

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances *(See the instructions)*

Revenue	1	Contributions, gifts, grants, and similar amounts received			
	a	Contributions to donor advised funds	1a		
	b	Direct public support (not included on line 1a)	1b	12,685,690	
	c	Indirect public support (not included on line 1a)	1c		
	d	Government contributions (grants) (not included on line 1a)	1d		
	e	**Total** (add lines 1a through 1d) (cash $ 9,611,094 noncash $ 3,074,596)		1e	12,685,690
	2	Program service revenue including government fees and contracts (from Part VII, line 93)		2	359,517
	3	Membership dues and assessments		3	
	4	Interest on savings and temporary cash investments		4	569,866
	5	Dividends and interest from securities		5	1,880,926
	6a	Gross rents	6a	2,434,928	
	b	Less rental expenses	6b	2,080,253	
	c	Net rental income or (loss). Subtract line 6b from line 6a		6c	354,675
	7	Other investment income (describe ▶ oil royalties)		7	502,561

		(A) Securities		(B) Other	
8a	Gross amount from sales of assets other than inventory	50,975,494	8a	192,950	
b	Less cost or other basis and sales expenses	39,507,676	8b	61,951	
c	Gain or (loss) (attach schedule)	11,467,818	8c	130,999	
d	Net gain or (loss) Combine line 8c, columns (A) and (B)			8d	11,598,817

9	Special events and activities (attach schedule) If any amount is from **gaming**, check here ▶ ☐				
a	Gross revenue (not including $ 299,951 of contributions reported on line 1b)	9a	72,180		
b	Less direct expenses other than fundraising expenses	9b	42,321		
c	Net income or (loss) from special events Subtract line 9b from line 9a			9c	29,859
10a	Gross sales of inventory, less returns and allowances	10a			
b	Less cost of goods sold	10b			
c	Gross profit or (loss) from sales of inventory (attach schedule) Subtract line 10b from line 10a			10c	0
11	Other revenue (from Part VII, line 103)			11	185,730
12	**Total revenue.** Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11			12	28,167,641

Expenses	13	Program services (from line 44, column (B))	13	8,201,592
	14	Management and general (from line 44, column (C))	14	1,486,283
	15	Fundraising (from line 44, column (D))	15	1,818,424
	16	Payments to affiliates (attach schedule)	16	
	17	**Total expenses.** Add lines 16 and 44, column (A)	17	11,506,299
Net Assets	18	Excess or (deficit) for the year Subtract line 17 from line 12	18	16,661,342
	19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	123,780,036
	20	Other changes in net assets or fund balances (attach explanation)	20	(15,588,973)
	21	Net assets or fund balances at end of year Combine lines 18, 19, and 20	21	124,852,405

INTERNAL REVENUE SERVICE
W&I - FIELD ASSISTANCE
FARGO, ND 58102
JUN 25 2010
RECEIVED
41412

SCANNED JUL 30 2010

XE

10

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

ISA
STF TVJC1001 1

AS AMENDED

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash $ ______ noncash $ ______) If this amount includes foreign grants, check here ▶ ☐	22a	0			
22b Other grants and allocations (attach schedule) (cash $ 7,104,724 noncash $ ______) If this amount includes foreign grants, check here ▶ ☐	22b	7,104,724	7,104,724		
23 Specific assistance to individuals (attach schedule)	23	0			
24 Benefits paid to or for members (attach schedule)	24	0			
25a Compensation of current officers, directors, key employees, etc listed in Part V-A	25a	400,854	93,296	114,733	192,825
b Compensation of former officers, directors, key employees, etc listed in Part V-B	25b	0	0	0	0
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	25c	0			
26 Salaries and wages of employees not included on lines 25a, b, and c	26	1,561,489	374,757	484,062	702,670
27 Pension plan contributions not included on lines 25a, b, and c	27	118,637	28,473	36,777	53,387
28 Employee benefits not included on lines 25a – 27	28	292,592	70,222	90,704	131,666
29 Payroll taxes	29	116,143	27,874	36,004	52,265
30 Professional fundraising fees	30	0			
31 Accounting fees	31	47,233		47,233	
32 Legal fees	32	27,359		27,359	
33 Supplies	33	93,229	41,953	27,969	23,307
34 Telephone	34	45,050	12,674	6,336	26,040
35 Postage and shipping	35	93,714	34,674	27,177	31,863
36 Occupancy	36	141,282	35,320	52,981	52,981
37 Equipment rental and maintenance	37	126,050	35,293	76,891	13,866
38 Printing and publications	38	105,770	52,885	26,442	26,443
39 Travel	39	240,619	60,155	24,062	156,402
40 Conferences, conventions, and meetings	40	53,378	10,676	26,689	16,013
41 Interest	41	70,806		70,806	
42 Depreciation, depletion, etc (attach schedule)	42	426,162	106,541	159,810	159,811
43 Other expenses not covered above (itemize):					
a Public relations & donor cultivation	43a	239,468	85,530	9,586	144,352
b Dues& subscriptions	43b	22,823	1,141	12,553	9,129
c Taxes & insurance	43c	40,618		40,618	
d Life insurance premiums	43d	20,107		20,107	
e Computer expenses	43e	84,681	25,404	33,873	25,404
f Credit card & other bank fees	43f	33,511		33,511	
g	43g	0			
44 **Total functional expenses.** Add lines 22a through 43g (Organizations completing columns (B)–(D), carry these totals to lines 13–15)	44	11,506,299	8,201,592	1,486,283	1,818,424

Joint Costs. Check ▶ ☐ if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ▶ ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs $ ______, (ii) the amount allocated to Program services $ ______, (iii) the amount allocated to Management and general $ ______, and (iv) the amount allocated to Fundraising $ ______

STF TVJC1001 2

AS AMENDED

Part III Statement of Program Service Accomplishments *(See the instructions)*

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization How the public perceives an organization in such cases may be determined by the information presented on its return Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments

What is the organization's primary exempt purpose? ▶ acquire resources to support ND State University All organizations must describe their exempt purpose achievements in a clear and concise manner State the number of clients served, publications issued, etc Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others)	Program Service Expenses (Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others)
a Scholarships and awards to students enrolled at North Dakota State University (Grants and allocations $ 4,199,122) If this amount includes foreign grants, check here ▶ ☐	4,199,122
b Grants to North Dakota State University for buildings, equipment, research, lectures, faculty development, supplies, travel and other departmental needs and activities not funded through state appropriations or student tuition and fees. (Grants and allocations $ 2,905,602) If this amount includes foreign grants, check here ▶ ☐	2,905,602
c Alumni records, newsletters and special events such as Homecoming, reunions, city outreach visits, alumni awards, student recruiting and programming, and alumni/student exchanges. Sponsor university programs such as Presidential Masters, Harvest Bowl and Celebration of Excellence. (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	1,096,868
d (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
e Other program services (attach schedule) (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) . . . . ▶	8,201,592

AS AMENDED

Part IV Balance Sheets *(See the instructions.)*

		Note: *Where required, attached schedules and amounts within the description column should be for end-of-year amounts only*			(A) Beginning of year		(B) End of year
Assets	45	Cash—non-interest-bearing			100	45	100
	46	Savings and temporary cash investments			7,654,973	46	15,339,759
	47a	Accounts receivable	47a	2,161,648			
	b	Less: allowance for doubtful accounts	47b		2,610,889	47c	2,161,648
	48a	Pledges receivable	48a				
	b	Less: allowance for doubtful accounts	48b			48c	
	49	Grants receivable				49	
	50a	Receivables from current and former officers, directors, trustees, and key employees (attach schedule)				50a	
	b	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)				50b	
	51a	Other notes and loans receivable (attach schedule)	51a				
	b	Less allowance for doubtful accounts	51b		1,442,354	51c	1,522,954
	52	Inventories for sale or use				52	
	53	Prepaid expenses and deferred charges			79,394	53	80,075
	54a	Investments—publicly-traded securities ▶ ☐ Cost ☒ FMV			100,155,867	54a	97,829,052
	b	Investments—other securities (attach schedule) ▶ ☐ Cost ☒ FMV			6,670,702	54b	8,154,183
	55a	Investments—land, buildings, and equipment basis	55a	33,822,906			
	b	Less accumulated depreciation (attach schedule)	55b	3,203,388	16,987,000	55c	30,619,518
	56	Investments—other (attach schedule)			152,451	56	141,453
	57a	Land, buildings, and equipment: basis	57a	8,033,301			
	b	Less accumulated depreciation (attach schedule)	57b	1,863,823	6,384,217	57c	6,169,478
	58	Other assets, including program-related investments (describe ▶ Acc'd interest & CSV of life insurance)			651,513	58	546,692
	59	**Total assets** (must equal line 74) Add lines 45 through 58			142,789,460	59	162,564,912
Liabilities	60	Accounts payable and accrued expenses			665,799	60	2,551,832
	61	Grants payable				61	
	62	Deferred revenue			6,986,497	62	7,381,134
	63	Loans from officers, directors, trustees, and key employees (attach schedule)				63	
	64a	Tax-exempt bond liabilities (attach schedule)			10,889,494	64a	27,114,297
	b	Mortgages and other notes payable (attach schedule)			19,774	64b	16,700
	65	Other liabilities (describe ▶ Cash & investments held for others)			447,860	65	648,544
	66	**Total liabilities.** Add lines 60 through 65			19,009,424	66	37,712,507
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶** ☒ **and complete lines 67 through 69 and lines 73 and 74**					
	67	Unrestricted			27,654,605	67	16,676,942
	68	Temporarily restricted			17,216,145	68	20,497,354
	69	Permanently restricted			78,909,286	69	87,678,109
		Organizations that do not follow SFAS 117, check here ▶ ☐ **and complete lines 70 through 74**					
	70	Capital stock, trust principal, or current funds				70	
	71	Paid-in or capital surplus, or land, building, and equipment fund				71	
	72	Retained earnings, endowment, accumulated income, or other funds				72	
	73	**Total net assets or fund balances.** Add lines 67 through 69 **or** lines 70 through 72 (Column (A) **must** equal line 19 and column (B) **must** equal line 21)			123,780,036	73	124,852,405
	74	**Total liabilities and net assets/fund balances.** Add lines 66 and 73			142,789,460	74	162,564,912

AS AMENDED

Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return *(See the instructions)*

a	Total revenue, gains, and other support per audited financial statements			a	14,635,789
b	Amounts included on line **a** but not on Part I, line 12:				
1	Net unrealized gains on investments	b1	(15,741,005)		
2	Donated services and use of facilities	b2			
3	Recoveries of prior year grants	b3			
4	Other (specify). reclassification of rental and event revenue and expenses	b4	2,210,883		
	Add lines **b1** through **b4**			b	(13,530,122)
c	Subtract line **b** from line **a**			c	28,165,911
d	Amounts included on Part I, line 12, but not on line **a**:				
1	Investment expenses not included on Part I, line 6b	d1			
2	Other (specify): report travel royalties as UBTI	d2	1,730		
	Add lines **d1** and **d2**			d	1,730
e	**Total revenue** (Part I, line 12). Add lines **c** and **d** ▶			e	28,167,641

Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

a	Total expenses and losses per audited financial statements			a	13,565,150
b	Amounts included on line **a** but not on Part I, line 17.				
1	Donated services and use of facilities	b1			
2	Prior year adjustments reported on Part I, line 20	b2			
3	Losses reported on Part I, line 20	b3			
4	Other (specify) reclassification of rental and event revenue and expenses	b4	2,210,883		
	Add lines **b1** through **b4**			b	2,210,883
c	Subtract line **b** from line **a**			c	11,354,267
d	Amounts included on Part I, line 17, but not on line **a**:				
1	Investment expenses not included on Part I, line 6b	d1			
2	Other (specify) Deferred compensation and travel allowance	d2	152,032		
	Add lines **d1** and **d2**			d	152,032
e	**Total expenses** (Part I, line 17). Add lines **c** and **d** ▶			e	11,506,299

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated) *(See the instructions)*

(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 & deferred compensation plans	(E) Expense account and other allowances
James C. Miller 1358 N 12th St, Fargo, ND 58102	Executive Director 50	216,272	68,550	4,409
Joseph A. Chapman, President of NDSU PO Box 5256, Fargo, ND 58105	Trustee 5	152,032	0	0
Other officers and trustees (see attached detail)	Volunteer/Part-time 1	0	0	0

STF TVJC1001 5

AS AMENDED

Part V-A Current Officers, Directors, Trustees, and Key Employees *(continued)*

		Yes	No
75a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ▶ 61			
b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)	75b	✓	
c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization." ▶	75c	✓	
If "Yes," attach a statement that includes the information described in the instructions.			
d Does the organization have a written conflict of interest policy?	75d	✓	

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	(B) Loans and Advances	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances

Part VI Other Information *(See the instructions.)*

		Yes	No
76 Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change	76		✓
77 Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.	77	✓	
78a Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	78a	✓	
b If "Yes," has it filed a tax return on Form 990-T for this year?	78b	✓	
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		✓
80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a	✓	
b If "Yes," enter the name of the organization ▶ Fossum Fdn (Ex), ND State Univ Alumni Assn (Ex); 650 NP Ave LLC (N); Kilbourne Design Gp LLC (N and check whether it is ☐ exempt or ☐ nonexempt			
81a Enter direct and indirect political expenditures. (See line 81 instructions.) 81a 0			
b Did the organization file Form 1120-POL for this year?	81b		✓

AS AMENDED

Part VI Other Information *(continued)*

			Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	✔	
b	If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) 82b			
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	✔	
b	Did the organization comply with the disclosure requirements relating to *quid pro quo* contributions?	83b	✔	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	✔	
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	✔	
85a	*501(c)(4), (5), or (6).* Were substantially all dues nondeductible by members?	85a		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less?	85b		
	If "Yes" was answered to either 85a or 85b, **do not** complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year			
c	Dues, assessments, and similar amounts from members 85c			
d	Section 162(e) lobbying and political expenditures 85d			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h		
86	*501(c)(7) orgs.* Enter. a Initiation fees and capital contributions included on line 12 86a			
b	Gross receipts, included on line 12, for public use of club facilities 86b			
87	*501(c)(12) orgs.* Enter a Gross income from members or shareholders 87a			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b			
88a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88a		✔
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI ▶	88b		✔
89a	*501(c)(3) organizations.* Enter: Amount of tax imposed on the organization during the year under section 4911 ▶ -0- ; section 4912 ▶ -0- ; section 4955 ▶ -0-			
b	*501(c)(3) and 501(c)(4) orgs.* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b		✔
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ -0-			
d	Enter. Amount of tax on line 89c, above, reimbursed by the organization ▶ -0-			
e	*All organizations.* At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e		✔
f	*All organizations.* Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f		✔
g	*For supporting organizations and sponsoring organizations maintaining donor advised funds* Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g		

90a List the states with which a copy of this return is filed ▶ None

b Number of employees employed in the pay period that includes March 12, 2007 (See instructions.) 90b 72

91a The books are in care of ▶ Ronald G. Peterson Telephone no. ▶ (701) 231-6865
Located at ▶ 1241 N University Dr, Fargo, ND ZIP + 4 ▶ 58102-2524

			Yes	No
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	91b		✔
	If "Yes," enter the name of the foreign country ▶			
	See the instructions for exceptions and filing requirements for **Form TD F 90-22.1**, Report of Foreign Bank and Financial Accounts.			

AS AMENDED

Part VI Other Information *(continued)*

		Yes	No
c At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country ▶	91c		✓

92 *Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041*—Check here ▶ ☐ and enter the amount of tax-exempt interest received or accrued during the tax year ▶ | 92 |

Part VII Analysis of Income-Producing Activities *(See the instructions.)*

Note: *Enter gross amounts unless otherwise indicated*	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue.					
a Travel program royalties	561500	1,730			
b Insurance program royalties	524298	736			
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					357,051
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	569,866	
96 Dividends and interest from securities			14	1,880,926	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property			16	354,675	
98 Net rental income or (loss) from personal property					
99 Other investment income			15	502,561	
100 Gain or (loss) from sales of assets other than inventory			18	11,598,817	
101 Net income or (loss) from special events			01	29,859	
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a Miscellaneous			01	110,730	
b Affinity credit card royalties			15	75,000	
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		2,466		15,122,434	357,051

105 **Total** (add line 104, columns (B), (D), and (E)) ▶ 15,481,951

Note: *Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.*

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes *(See the instructions.)*

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
93g	The Foundation maintains records on all alumni and friends of North Dakota State University. These records are essential to the Foundation's exempt purpose of cultivating and soliciting alumni for the support of the university. These records also support the university's outreach efforts by providing names and addresses to which the university mails various official publications an correspondence.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities *(See the instructions.)*

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts *(See the instructions.)*

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☑ No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☑ No

Note: *If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).*

AS AMENDED

Part XI **Information Regarding Transfers To and From Controlled Entities.** *Complete only if the organization is a controlling organization as defined in section 512(b)(13).*

		Yes	No
106	Did the reporting organization **make** any transfers **to** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.		

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

		Yes	No
107	Did the reporting organization **receive** any transfers **from** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.		

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

		Yes	No
108	Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?		

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Signature of officer — Date 6/25/2010

Ronald G Peterson, Controller

Type or print name and title

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed ☐	Preparer's SSN or PTIN (See Gen Inst X)
Firm's name (or yours if self-employed), address, and ZIP + 4		EIN	
		Phone no	

STF TVJC1001 9

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n), or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information—(See separate instructions.)

▶ MUST be completed by the above organizations and attached to their Form 990 or 990-EZ

OMB No 1545-0047

2007

Name of the organization: North Dakota State University Development Foundation

Employer identification number: 23 7120898

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 1 of the instructions. List each one. If there are 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 & deferred compensation	(e) Expense account and other allowances
Jason L. Wohlman 312 Edgewater Dr, West Fargo, ND 58078	Assoc.Exec.Director/50	141,500	24,781	3,252
Sherri A. Schmidt 5075 Rose Creek Pkwy, Fargo, ND 58104	Assoc.Exec.Director/50	120,000	16,140	4,800
M. Scott Barrett 3338 - 19th St S, Fargo, ND 58103	Dir, Planned Giving/40	120,265	27,807	2,831
Ronald G. Peterson 48 - 16th Ave, N, Fargo, ND 58102	Controller / 50	116,500	25,496	910
Leo Ringey 282 Prairiewood Dr, Fargo, ND 58103	Ass't Dir. Major Gifts/50	101,800	22,164	4,800
Total number of other employees paid over $50,000 ▶	5			

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
None		
Total number of others receiving over $50,000 for professional services ▶		

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
T L Stroh Architects 8 - 7th St N, Fargo, ND 58102	Architectural	1,456,957
Total number of other contractors receiving over $50,000 for other services ▶	0	

AS AMENDED

Part III **Statements About Activities** (See page 2 of the instructions.)

			Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ $ ______ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)	1		✓
	Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? *(If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)*			
a	Sale, exchange, or leasing of property?	2a		✓
b	Lending of money or other extension of credit?	2b		✓
c	Furnishing of goods, services, or facilities?	2c		✓
d	Payment of compensation (or payment or reimbursement of expenses if more than $1,000)?	2d	✓	
e	Transfer of any part of its income or assets?	2e		✓
3a	Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments)	3a	✓	
b	Did the organization have a section 403(b) annuity plan for its employees?	3b	✓	
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement	3c		✓
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d		✓
4a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g	4a		✓
b	Did the organization make any taxable distributions under section 4966?	4b		
c	Did the organization make a distribution to a donor, donor advisor, or related person?	4c		
d	Enter the total number of donor advised funds owned at the end of the tax year ▶			
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶			
f	Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶			1
g	Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ▶			1,376,523

AS AMENDED

Part IV **Reason for Non-Private Foundation Status** (See pages 4 through 8 of the instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box)

5 ☐ A church, convention of churches, or association of churches Section 170(b)(1)(A)(i).

6 ☐ A school Section 170(b)(1)(A)(ii). (Also complete Part V)

7 ☐ A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii).

8 ☐ A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v)

9 ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state** ▶ ....

10 ☑ An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)

11a ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A)

11b ☐ A community trust Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A)

12 ☐ An organization that normally receives. **(1) more than 33⅓%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc , functions—subject to certain exceptions, and **(2) no more than 33⅓%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A)

13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:

☐ Type I ☐ Type II ☐ Type III-Functionally Integrated ☐ Type III-Other

Provide the following information about the supported organizations. (See page 8 of the instructions)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents? Yes	No	(e) Amount of support
Total ▶					

14 ☐ An organization organized and operated to test for public safety Section 509(a)(4) (See page 8 of the instructions.)

AS AMENDED

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) *Use cash method of accounting.*

Note: *You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting*

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants See line 28).	13,457,257	13,823,062	12,740,249	9,600,865	49,621,433
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc, purpose	65,880	54,680	51,295	48,750	220,605
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	4,400,950	3,756,401	3,253,755	2,290,667	13,701,773
19 Net income from unrelated business activities not included in line 18.	3,268	4,789	4,718	1,238	14,013
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	445,699	1,500,435	336,955	283,249	2,566,338
23 Total of lines 15 through 22	18,373,054	19,139,367	16,386,972	12,224,769	66,124,162
24 Line 23 minus line 17	18,307,174	19,084,687	16,335,677	12,176,019	65,903,557
25 Enter 1% of line 23	183,731	191,394	163,870	12,248	

26 **Organizations described on lines 10 or 11:** a Enter 2% of amount in column (e), line 24 ▶	26a	1,318,071
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. **Do not file this list with your return.** Enter the total of all these excess amounts ▶	26b	13,290,210
c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶	26c	65,903,557
d Add: Amounts from column (e) for lines: 18 13,701,773 19 14,013 22 2,566,338 26b 13,290,210 ▶	26d	29,572,334
e Public support (line 26c minus line 26d total) ▶	26e	36,331,223
f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶	26f	55 %

27 **Organizations described on line 12:** a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." **Do not file this list with your return.** Enter the sum of such amounts for each year:

(2006) .... (2005) .... (2004) .... (2003) ....

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) $5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year

(2006) .... (2005) .... (2004) .... (2003) ....

c Add Amounts from column (e) for lines: 15 ____ 16 ____ 17 ____ 20 ____ 21 ____ ▶	27c	
d Add: Line 27a total ____ and line 27b total ____ ▶	27d	
e Public support (line 27c total minus line 27d total) ▶	27e	
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) ▶ 27f		
g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶	27g	%
h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶	27h	%

28 **Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant **Do not file this list with your return.** Do not include these grants in line 15.

AS AMENDED

Part V **Private School Questionnaire** (See page 9 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Line	Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe, if "No," please explain. (If you need more space, attach a separate statement.)	31		
32	Does the organization maintain the following:			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement)	32d		
33	Does the organization discriminate by race in any way with respect to:			
a	Students' rights or privileges?	33a		
b	Admissions policies?	33b		
c	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
e	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?	33g		
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement)	33h		
34a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement	34b		
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4 05 of Rev Proc. 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	35		

AS AMENDED

Part VI-A **Lobbying Expenditures by Electing Public Charities** (See page 11 of the instructions.)
(To be completed **ONLY** by an eligible organization that filed Form 5768)

Check ▶ a ☐ if the organization belongs to an affiliated group Check ▶ b ☐ if you checked "a" and "limited control" provisions apply.

	Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for all electing organizations
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38	Total lobbying expenditures (add lines 36 and 37)	38		
39	Other exempt purpose expenditures	39		
40	Total exempt purpose expenditures (add lines 38 and 39)	40		
41	Lobbying nontaxable amount. Enter the amount from the following table— **If the amount on line 40 is—** / **The lobbying nontaxable amount is—** Not over $500,000 — 20% of the amount on line 40 Over $500,000 but not over $1,000,000 — $100,000 plus 15% of the excess over $500,000 Over $1,000,000 but not over $1,500,000 — $175,000 plus 10% of the excess over $1,000,000 Over $1,500,000 but not over $17,000,000 — $225,000 plus 5% of the excess over $1,500,000 Over $17,000,000 — $1,000,000	41		
42	Grassroots nontaxable amount (enter 25% of line 41)	42		
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43		
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44		

Caution: *If there is an amount on either line 43 or line 44, you must file Form 4720.*

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 13 of the instructions.)

	Lobbying Expenditures During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B **Lobbying Activity by Nonelecting Public Charities**
(For reporting only by organizations that did not complete Part VI-A) (See page 14 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of	Yes	No	Amount
a Volunteers		✔	
b Paid staff or management (Include compensation in expenses reported on lines c through h.)		✔	
c Media advertisements		✔	
d Mailings to members, legislators, or the public		✔	
e Publications, or published or broadcast statements		✔	
f Grants to other organizations for lobbying purposes		✔	
g Direct contact with legislators, their staffs, government officials, or a legislative body		✔	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		✔	
i Total lobbying expenditures (Add lines c through h.)			-0-

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

AS AMENDED

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 14 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of			
(i) Cash	51a(i)		✓
(ii) Other assets	a(ii)		✓
b Other transactions:			
(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)		✓
(ii) Purchases of assets from a noncharitable exempt organization	b(ii)		✓
(iii) Rental of facilities, equipment, or other assets	b(iii)		✓
(iv) Reimbursement arrangements	b(iv)		✓
(v) Loans or loan guarantees	b(v)		✓
(vi) Performance of services or membership or fundraising solicitations	b(vi)		✓
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c		✓

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ▶ ☐ Yes ☑ No

b If "Yes," complete the following schedule:

(a) Name of organization	(b) Type of organization	(c) Description of relationship

AS AMENDED

North Dakota State University Development Foundation 23-7120898
Form 990 FYE 6/30/08

The organization is amending Form 990 to include in gross wages amounts for Dr. Joseph Chapman which were no longer subject to a substantial risk of forfeiture for a participant in the organization's ineligible section 457 deferred compensation plan. Dr Chapman is president of North Dakota State University and a Trustee of North Dakota State University Development Foundation. The organization is a tax-exempt organization and is subject to section 457(f). At the time of filing the original Form 990, the taxpayer was not aware of this section 457(f) requirement and had understood that the amount payable to the participant for the deferred compensation plan was to be expensed as gross wages only when payments were actually made in connection with the plan. This was an inadvertent error, and there was no intentional disregard of these reporting requirements on the part of the organization Part V-A of Form 990 has been amended to reflect the deferred compensation as well as reclassing the travel allowance to wages for Joseph Chapman.

In addition, line 20 of Form 990, page 1, is being amended for the reconciling wage adjustment for Joseph Chapman.

NORTH DAKOTA STATE UNIVERSITY DEVELOPMENT FOUNDATION
TAXABLE YEAR ENDED JUNE 30, 2008
23-7120898

FORM 990, PART I, LINE 9 - SPECIAL EVENTS AND ACTIVITIES

Ticket revenue and direct expenses of Bison Bidders Bowl, the Foundation's annual charity dinner and auction.

FORM 990, PART I, LINE 20 - OTHER CHANGES IN FUND BALANCE

Unrealized depreciation on investments ($15,741,005), Deferred compensation and travel allowance $152,032	(15,588,973)

FORM 990, PART IV - INVESTMENTS

line 54a	Corporate stocks	$ 60,160,373	
	Corporate bonds	33,842,799	
	Government bonds and securities	3,825,880	$ 97,829,052
line 54b	Certificates of deposit	200,099	
	Limited partnership interests	7,954,084	8,154,183
line 56	Other investments (mineral interests)	141,453	141,453

FORM 990, PART IV, LINE 55- INVESTMENTS - LAND, BLDGS AND EQUIPMENT

DESCRIPTION	BASIS	LIFE	METHOD	DEPREC. EXPENSE	ACC DEPR 06/30/08	NET BOOK VALUE
LAND	$ 2,797,502					$ 2,797,502
CONSTRUCTION IN PROG.	$ 18,110,895					18,110,895
BLDGS & IMPROVEMENTS	12,914,509	VARIOUS	SL	750,107	3,203,388	9,711,121
	$ 33,822,906			$ 750,107	$ 3,203,388	$ 30,619,518

FORM 990, PART IV, LINE 57 - LAND, BUILDINGS AND EQUIPMENT

DESCRIPTION	BASIS	LIFE	METHOD	DEPREC. EXPENSE	ACC DEPR 06/30/08	NET BOOK VALUE
LAND	$ 868,809			$ 13,737	$ 115,239	$ 753,570
BLDGS & IMPROVEMENTS	3,658,594	VARIOUS	SL	76,272	733,177	2,925,417
FURNITURE & EQUIPMENT	3,412,661	VARIOUS	SL	317,973	937,680	2,474,981
COMPUTER SOFTWARE	93,237	VARIOUS	SL	7,039	77,727	15,510
	$ 8,033,301			$ 415,021	$ 1,863,823	$ 6,169,478

FORM 990, PART II, LINE 42 - DEPRECIATION EXPENSE	$ 415,021
- DEPLETION OF MINERAL RIGHTS	11,140
	$ 426,161

FORM 990, PART V-A, LINE 75b

Trustee Terry L. Stroh is President of T L Stroh Architects, the firm which is currently serving as architect for several building projects and is listed in Part II-B of Schedule A.

FORM 990, PART V-A, LINE 75c

Trustee Joseph A. Chapman is President of North Dakota State University (EIN 45-6002439). He is paid by the university. This organization's purpose is to acquire and manage resources for the support of North Dakota State University.

FORM 990, SCHEDULE A, PART III, LINE 3a:

Students receiving scholarships and awards must be enrolled at North Dakota State University, selected by a scholarship committee, and approved by the Office of Student Financial Services.

AS AMENDED

NOTES TO FINANCIAL STATEMENTS

For financial reporting purposes, unrealized appreciation and depreciation on the permanently restricted endowment investments is reported as unrestricted. It is the intent of the board that these gains are retained in the endowment fund for investing purposes

NOTE 3 - CONTRACTS FOR DEED AND NOTES RECEIVABLE

	2008	2007
8% contract for deed, due in monthly installments of $465, including interest, to December 2019, secured by land and building	$ 41,842	$ 43,978
9% contract for deed, due in annual installments of $9,859, including interest, to November 2008, secured by land	9,045	17,343
7.5% note receivable, interest due monthly and principal due April 2013, secured by personal property and assignment of leases	1,000,000	1,000,000
8% note receivable, unsecured	31,050	31,050
7% notes receivable, due in annual installments of $60,968 including interest, to January 31, 2012, unsecured	206,513	249,983
7% contract for deed, due in annual installments of $16,000 including interest, to November 2014 plus final payment of $8,198 due November 2015, secured by land	67,135	100,000
6% contract for deed, due in monthly installments of $1,019 including interest, to June 2012 plus final payment of the remaining balance due July 2012, secured by land	167,369	-
	$ 1,522,954	$ 1,442,354

Maturities of the contracts for deed and notes receivable are as follows:

Year ending June 30,	Amount
2009	$ 73,988
2010	66,729
2011	71,411
2012	76,422
2013	1,174,114
Thereafter	60,290
	$ 1,522,954

(continued on next page)

AS AMENDED

NOTES TO FINANCIAL STATEMENTS

During the year ended June 30, 2008, the Foundation changed the expected rate of return for the gift annuities and the life income agreements from 7 to 5 percent. This change was made based on management's best estimate of the returns of the related assets, with the intention to record the related liabilities at fair value

Life Income Agreements

Life income agreements consist of charitable remainder unitrusts and annuity trusts The Foundation records these gifts at market value The current income from these instruments is paid to the donor and/or named beneficiaries for their lifetime(s). When the lifetime obligations have ceased, the residual value becomes an endowment to support a North Dakota State University program designated by the donor or if no designation is made by the donor it becomes part of the general fund The estimated present value of future investment income distributions to beneficiaries is $4,822,429 and $5,467,298 at June 30, 2008 and 2007, respectively.

NOTE 9 - NOTES AND BONDS PAYABLE

	2008	2007
5.19% bonds payable, due in semi-annual installments of $80,645, including interest, to December 2018, secured by Alumni Center land and building - (1)	$ 1,293,073	$ 1,383,710
Variable rates bonds payable, 2.5%-4.7% at June 30, 2008, with semi-annual interest payments and annual installments of varying principal amounts, to November 2024, secured by equine center land and building - (2)	3,745,000	3,905,000
2.77% note payable, due in semi-annual installments of $1,800, including interest, to January 2013, unsecured	16,700	19,774
4.89% bonds payable due in semi-annual installments of $165,998, including interest, to December 2020, secured by equipment - (3)	3,077,736	3,252,784
6.86% note payable, due in quarterly installments of $80,730, including interest, to May 2017, secured by an airplane - (4)	2,155,105	2,348,000
Variable rates bonds payable, 2.4% at June 30, 2008, with semi-annual installments of varying amounts, to November 2027, secured by the Barry Hall business building and land - (5)	4,328,000	-
5 11% bonds payable, due in semi-annual installments of $243,079, including interest, to November 2027, secured by the Barry Hall business building and land - (5)	7,366,502	-
Variable rates bonds payable, 2.4% at June 30, 2008, with semi-annual installments of varying amounts, to November 2027, secured by the Klai Hall architecture building and land - (6)	1,277,000	-
5 11% bonds payable, due in semi-annual installments of $127,764, including interest, to November 2027, secured by the Klai Hall architecture building and land - (6)	3,871,881	-
	$ 27,130,997	$ 10,909,268

(continued on next page)

AS AMENDED

NOTES TO FINANCIAL STATEMENTS

{1} - The Foundation financed the construction of the NDSU Alumni Center Project through the sale of 20-year First Mortgage Revenue Bonds issued by Cass County, North Dakota. The Foundation has leased the property from the county for rental equal to the sum of the semi-annual principal and interest payments on the bonds. Under the terms of the lease, the Foundation is responsible for the real estate taxes, insurance, repairs and maintenance, and other costs incident to the ownership of the property. The leased property is included with property in the financial statements and the bonds have been recorded as a direct obligation of the Foundation. Ownership of the property will transfer to the Foundation when the bonds are repaid in full The bonds are guaranteed by the Foundation.

{2} - The Foundation financed the construction of the NDSU Equine Center Project through the sale of 20-year University Facilities Revenue Bonds issued by Cass County, North Dakota. The Foundation has leased the property from the county for rental equal to the sum of the semi-annual principal and interest payments on the bonds Under the terms of the lease, the Foundation is responsible for the real estate taxes, insurance, repairs and maintenance, and other costs incident to the ownership of the property. The leased property is included with property in the financial statements and the bonds have been recorded as a direct obligation of the Foundation. Ownership of the property will transfer to the Foundation when the bonds are repaid in full. The bonds are guaranteed by the Foundation. This property is subleased to North Dakota State University (NDSU) for rental equal to the sum of the semi-annual principal and interest payments on the bonds for the term of the bonds, plus all the costs incurred by the Foundation incident to ownership of the property. NDSU has an option to acquire the land and building at certain dates or upon full payment of the bonds.

{3} - The Foundation financed the construction and equipping of office space, locker rooms, meeting rooms, and related facilities in the Fargodome for use by NDSU through the sale of 15-year University Facilities Revenue Bonds issued by Cass County, North Dakota. The Foundation has leased the space in the Fargodome from the City of Fargo and has financed the leasehold improvements and furniture, fixtures and equipment with proceeds of the bonds The leasehold improvements and furniture, fixtures and equipment have been included with property in the financial statements and the bonds have been recorded as a direct obligation of the Foundation. The space, the leasehold improvements, and the furniture, fixtures and equipment have been subleased to North Dakota State University (NDSU) for rental equal to the sum of the annual Fargodome space rent plus the semi-annual principal and interest payments on the bonds plus all the costs incurred by the Foundation incident to the lease. NDSU's payments and/or bond principal will be reduced by contributions received by the Foundation for this project.

{4} - The Foundation entered into a ten-year financing agreement for the purchase of an aircraft. The Foundation has leased the aircraft to North Dakota State University for rental equal to the sum of the quarterly principal and interest payments on the loan for the life of the loan. The University is responsible for all costs incurred in operation and maintenance of the aircraft. Upon completion of loan payments, ownership of the aircraft will be transferred to North Dakota State University.

{5} - The Foundation financed the construction of the NDSU Barry Hall business building project through the sale of 20-year University Facilities Revenue Bonds issue by the City of Fargo, North Dakota The City has loaned the bond proceeds to the Foundation for payments equal to the sum of the semi-annual interest payments and installments of varying principal amounts on the variable rate bonds and the semi-annual principal and interest payments on the fixed-rate bonds. The principal payments on the variable rate bonds will be funded from payments on donor pledges restricted for the project. Under the terms of the loan, the Foundation is responsible for the real estate taxes, insurance, repairs and maintenance, and other costs incident to ownership of the property. The property is included with property in the financial statements and the bonds have been recorded as a direct obligation of the Foundation Ownership of the property will transfer to NDSU when the bonds are repaid in full The bonds are guaranteed by the Foundation. This property is leased to NDSU for rental equal to the sum of the semi-annual interest only payments on the variable term bonds plus the semi-annual principal and interest payments on the fixed-rate bonds for the term of the bonds, plus all the costs incurred by the Foundation incident to ownership of the property. NDSU has an option to acquire the property upon full payment of the bonds

(continued on next page)

AS AMENDED

(6) - The Foundation financed the construction of the NDSU Klai Hall architecture building project through the sale of 20-year University Facilities Revenue Bonds issue by the City of Fargo, North Dakota The City has loaned the bond proceeds to the Foundation for payments equal to the sum of the semi-annual interest payments and installments of varying principal amounts on the variable rate bonds and the semi-annual principal and interest payments on the fixed-rate bonds. The principal payments on the variable rate bonds will be funded from payments on donor pledges restricted for the project. Under the terms of the loan, the Foundation is responsible for the real estate taxes, insurance, repairs and maintenance, and other costs incident to ownership of the property The property is included with property in the financial statements and the bonds have been recorded as a direct obligation of the Foundation. Ownership of the property will transfer to NDSU when the bonds are repaid in full The bonds are guaranteed by the Foundation This property is leased to NDSU for rental equal to the sum of the semi-annual interest only payments on the variable term bonds plus the semi-annual principal and interest payments on the fixed-rate bonds for the term of the bonds, plus all the costs incurred by the Foundation incident to ownership of the property. NDSU has an option to acquire the property upon full payment of the bonds

Debt maturities are as follows:

Year ending June 30,	Amount
2009	$ 794,668
2010	830,288
2011	872,976
2012	917,843
2013	970,039
Thereafter	22,745,183
	$ 27,130,997

NOTE 10 - NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

	2008	2007
Purpose restrictions accomplished		
Scholarships and grants paid	**$ 4,093,442**	$ 3,904,514
NDSU departmental expenses	**2,141,241**	1,655,139
NDSU building and equipment	**894,361**	714,356
Direct investment expenses on real estate held for investment	**205,590**	138,587
Depreciation on real estate held for investment and depletion on mineral rights held for investment	**232,407**	226,632
Total net assets released from restrictions	**$ 7,567,041**	$ 6,639,228

(continued on next page)

AS AMENDED

Form 990 (2007), Part V-A
Year Ended June 30, 2008
Tax ID # 23-7120898

NORTH DAKOTA STATE UNIVERSITY DEVELOPMENT FOUNDATION
BOARD OF TRUSTEES

JULY 2010
Dr. Dale O. Anderson — 701/492-3123
4183 Furnberg Place South — FAX 701/492-3123
Fargo, ND 58104

JULY 2010
Robert W. Anderson — 701/237-3605
Olaf Anderson & Son (Retired President)
PO Box 2766
Fargo, ND 58108-2766

4248 Clubhouse Drive South — 701/293-9492
Fargo, ND 58104

JULY 2009
Sally Berrell — 701/235-2882
1216 Ninth Street South
Fargo, ND 58103-3152

8210 East Del Cadena Drive — 480/951-9454
Scottsdale, AZ 85258-2319

JULY 2009
Shari Johnson Bremer — 952/936-9312
14852 Richards Drive West
Minnetonka, MN 55345-2064 — FAX 952/936-0142

JULY 2012
Barbara Burgum — 952/404-1734
19380 Walden Trail
Deephaven, MN 55391

JULY 2011
Robert E. Challey — 925/932-6606
The Park Place Group
2960 Camino Diablo, Suite 300 — FAX 925/937-5029
Walnut Creek, CA 94597

Dr. Joseph A. Chapman — 701/231-7211
Office of the President
NDSU - Old Main
Fargo, ND 58105

1200 North University Drive — 701/231-7333
Fargo, ND 58102-2564

AS AMENDED

JULY 2012		
Paul Cossette		763/522-2100
M. A. Mortenson Company		
700 Meadow Lane North	FAX	763/287-5430
Golden Valley, MN 55422		
5570 Shore Road		952/401-9048
Excelsior, MN 55331-9162		
JULY 2012		
Terrence C. Dahl		650/522-5830
Gilead Sciences, Inc.		
333 Lakeside Drive		
Foster City, CA 94404		
1646 Kennewick Drive		408/773-9466
Sunnyvale, CA 94087-4130		
JULY 2010		
Warren Diederich		701/282-4977
Industrial Builders	FAX	701/281-1409
PO Box 406		
Fargo, ND 58107-0406		
2509 East Country Club Drive		701/237-3927
Fargo, ND 58103-5732		
JULY 2012		
Spencer Duin		828/254-4068
48 Dover Street		
Asheville, NC 28804		
JULY 2010		
Dave Ekman		701/281-5355
Multiband		
2000 44 Street Southwest, #100		
Fargo, ND 58103		
1615 Round Hill Drive		701/293-8223
Fargo, ND 58104		
JULY 2009		
Larry Ellingson		
9844 Red Bluff Drive		480/816-6411
Fountain Hills, AZ 85268	FAX	480/816-6461
JULY 2009		
Susan Freeman		701/293-0090
3321 23 Avenue South		
Fargo, ND 58103		

AS AMENDED

JULY 2009		
Michael E. Hanson		317/252-5662
1127 Iron Springs Court		
Indianapolis, IN 46240		
9344 Sweetgrass Way		239/254-9477
Naples, FL 34108		
JULY 2011		
Robert Heller		
10992 Mount Curve Road		952/944-6853
Eden Prairie, MN 55347-2910	FAX	952/941-7548
JULY 2010		
Michael J. Hofer		701/297-0305
Imaging Solutions		
2829 South University Drive		
Fargo, ND 58103		
4306 Timberline Drive SW		701/232-6897
Fargo, ND 58104-6634		
JULY 2008		
Larry Holweger		608/231-8363
CUNA Mutual Insurance		
5910 Mineral Point Road		
Madison, WI 53705	FAX	608/236-6177
		608/821-0147
7794 Summerfield Drive		
Verona, WI 53593	CELL	608/852-3339
JULY 2011		
Paul Horn		218/532-2330
51768 Pelican Point Drive	LAKE FAX	218/532-2340
Detroit Lakes, MN 56501	CELL	701/238-0350
385 7 Avenue South, Unit 303		701/239-4330
Fargo, ND 58103	FAX	701/239-4340
JULY 2011		
Frank Jennings **PRESIDENT**		253/941-4578
25637 Marine View Drive South	CELL	253/250-6500
Des Moines, WA 98198-8937	FAX	253/945-9686
13270 West Bolero Drive		623/214-3271
Sun City West, AZ 85374		

AS AMENDED

JULY 2008
Merrill A. Johnson | 715/386-7566
213 Eastbank Court North
Hudson, WI 54016-1084

8533 East Paraiso Drive | 480/473-7465
Scottsdale, AZ 85255-4223

JULY 2010
Nancy Johnson | 701/483-0359
1308 A Empire Road
Dickinson, ND 58601-3615

JULY 2010
Barbara Jones | 651/681-9517
Gallipot
2020 Silver Bell Road | FAX 651/681-9001
St. Paul, MN 55122

12510 Danbury Way West | 651/423-2071
Rosemount, MN 55068-3567

21073 North 79 Pl. - Winter | 480/419-2696
Scottsdale, AZ 85255 | FAX 480/419-0323

JULY 2011
Nancy Johnson Jordheim | 701/446-1036
Fargo Public Schools
415 Fourth Street North | FAX 701/446-1201
Fargo, ND 58102-4514

3620 Fairway Road Northeast | 701/298-0910
Fargo, ND 58102-1223

JULY 2008
John R. Klai II | 702/221-2254
Klai Juba Architects
4444 West Russell Road, Suite J
Las Vegas, NV 89118 | FAX 702/221-7655

2113 Redbird Drive | 702/360-3555
Las Vegas, NV 89134 | CELL 702/371-2949

JULY 2012
Richard W. Kloubec | 701/232-3843
3233 16 Avenue South #202
Fargo, ND 58103-8412

AS AMENDED

JULY 2011		
Terrance Kristensen		701/530-6050
Heritage Pharmacy		
401 North Ninth Street		
Bismarck, ND 58501	FAX	701/530-6417
1522 Schooner Place		701/223-8350
Bismarck, ND 58504		
JULY 2011		
Robert Lervick Nov. - April		623/466-7558
15702 West Echowood Court		
Surprise, AZ 85374	CELL	612/759-1364
21032 County Highway 20 May – Oct.		218/532-3546
Pelican Rapids, MN 56572		
JULY 2011		
Jane Lillestol		320/846-1962
3207 Casa Marina Road Northwest		
Alexandria, MN 56308-9058	FAX	320/763-7862
JULY 2012		
Brady Lipp		212/499-2590
Akros Capital, LLC		
230 Park Avenue		
New York, NY 10169		
16 Catherine Place		914/232-4802
Katonah, NY 10536		
JULY 2010		
Daniel G. Lysne		701/232-3323
Daniel G. Lysne, DDS, Periodontist	FAX	701/293-9425
1322 23 Street South		
Fargo, ND 58103-3707		
3413 Bohnet Boulevard		701/232-2888
Fargo, ND 58102		
JULY 2011		
Russell D. Maring		701/232-4020
Sonmar Management Corp.	FAX	701/232-3944
15 Broadway, Suite 401		
Fargo, ND 58102		
PO Box 2024 - Summer		701/237-6919
Fargo, ND 58107-2024		
4615 East Caron Street - Winter		480/368-7005
Phoenix, AZ 85028-5511	FAX	480/368-8889

AS AMENDED

JULY 2012
Richard Marsden 701/234-5015
MeritCare Hospital
737 Broadway Street North
Fargo, ND 58123

7205 County Road 31 701/280-0255
Fargo, ND 58102-6117

JULY 2009
Dr. James Meier **CHAIR OF THE BOARD**
4562 Golf View Drive 810/494-4084
Brighton, MI 48116

JULY 2009
Dr. Larry Milsow 509/747-3856
520 South Cowley
Spokane, WA 99202

W 404 Sumner 509/838-9186
Spokane, WA 99204-3655

JULY 2010
Dr. Robert C. Montgomery 701/234-2000
MeritCare
737 North Broadway FAX 701/234-6979
Fargo, ND 58102

300 NP Avenue Suite 309 701/293-5887
Fargo, ND 58102

JULY 2010
Clifford A. "Kip" Moore 218/233-3386
Kip Moore Consultant
403 Center Avenue, Suite 404
Moorhead, MN 56560-1900

13170 Red Elm Ridge Road 218/439-3802
Audubon, MN 56511

JULY 2012
Connie Nicholas 701/968-3149
214 14 Street
Cando, ND 58324-6609

15802 North 71 Street, Unit 559 480/782-0782
Scottsdale, AZ 85254 FAX 480/302-5236

AS AMENDED

JULY 2008
David Olig | | 701/234-9912
Southpointe Pharmacy
2400 32 Avenue South
Fargo, ND 58103

4649 Timberline Drive 701/280-1618
Fargo, ND 58104-6663

JULY 2012
Ronald G. Olson **SR. VICE PRESIDENT**
1630 Northridge Drive 952/476-6509
Wayzata, MN 55391-9570 FAX 952/476-8925

523 Mesquite Hills (Winter) 760/674-4721
Palm Desert, CA 92260

JULY 2012
Daniel S. Paulson 651/407-6056 Ext. 201
Paulson & Clark Engineering, Inc.
2352 East County Road J
White Bear Lake, MN 55110

4941 129 Street North 651/762-4646
Hugo, MN 55038-9273

JULY 2012
Gary Paulsrud 701/241-9205
Producers Financial Group
818 Main Avenue
Fargo, ND 58103

1442 South River Road 701/293-5355
Fargo, ND 58103-4325

JULY 2009
Dale Peppel 701/642-4575
874 Second Street North
Wahpeton, ND 58075-3402

JULY 2008
Ryn Pitts **SECRETARY** 701/793-1058
ryn*genuity for Health Care Solutions
1104 South 2 Avenue #318
Fargo, ND 58103

1302 9 Street South
Fargo, ND 58103 701/235-6290

AS AMENDED

JULY 2008		
Jan Promersberger		701/492-9194
Promersberger Company		
4838 Rocking Horse Circle	FAX	701/277-4611
Fargo, ND 58104-6049		
142 Eagle Street Northeast		701/293-6119
Fargo, ND 58102-1212		
JULY 2009		
James Roers		701/282-6413
Roers Development, Inc.		
4445 Second Avenue SW		
Fargo, ND 58103		
4420 Carrie Rose Lane		701/282-6634
Fargo, ND 58104-6818		
JULY 2008		
Jeffrey Schlossman		701/238-4597
Goldmark Schlossman Real Estate		
1707 Gold Drive, Suite 200		
Fargo, ND 58104	FAX	701/239-5837
1747 South 7 Street		701/293-5928
Fargo, ND 58103-4945		
JULY 2009		
David J. Selvig		701/235-5323
Cook Sign Company		
PO Box 1126		
Fargo, ND 58107-1126		
2618 South 18 Street, Unit D		701/232-1625
Fargo, ND 58103-6600		
JULY 2011		
Mary Lou Shott		415/362-5276
268 Chestnut Street		
San Francisco, CA 94133	FAX	415/362-5275
JULY 2008		
John W. Shotwell		701/356-9377
Shotwell Floral	FAX	701/293-4008
4000 40 Street South		
Fargo, ND 58104		
2804 27 Street South		701/232-2798
Fargo, ND 58103-5033		
JULY 2011		
Kenneth Skuza		701/250-9320
3432 Overlook Drive		
Bismarck, ND 58501-0259	FAX	701/222-8149

AS AMENDEI

JULY 2008			
Anne Stegner			509/758-3431
2624 Grandview Drive			
Clarkston, WA 99403			
JULY 2012			
Terry Stroh			701/239-4198
T. L. Stroh Architects		FAX	701/239-9643
313 NP Avenue			
Fargo, ND 58102			
4645 Timberline Drive			701/293-3407
Fargo, ND 58104			
JULY 2011			
Steven J. Swiontek	**TREASURER**		
			701/293-2530
Gate City Bank			
500 Second Avenue North			
PO Box 2847			
Fargo, ND 58108-2847		FAX	701/293-2568
3919 17 Street South			701/237-5694
Fargo, ND 58104-6337			
JULY 2010			
Jonal Uglem	**VICE PRESIDENT**		701/543-3630
Rural Route 2 Box 123			
Hatton, ND 58240-9621			
JULY 2008			
Charles Ulmer			763/797-7354
KARE Television			
3550 Rosewood Lane North			763/559-0285
Plymouth, MN 55441-2242			
JULY 2009			
John S. Wold			239/293-1454 (cell)
864 Inlet Drive Winter			
Marco Island, FL 34145		HOME	239/389-0334
3563 Bay Road N. Drive	Summer		317/579-5567
Indianapolis, IN 46240			
JULY 2008			
Robert Yaggie			218/643-6021
2514 State Highway 210			
Breckenridge, MN 56520-9662		FAX	218/643-9327

AS AMENDED

EX OFFICIO

James C. Miller		701/231-6800
Executive Director	FAX	701/231-6848
NDSU Development Foundation/Alumni Association		
Fargo, ND 58105		
1358 North 12 Street		701/280-2307
Fargo, ND 58102		
Cydney Runsvold		701/235-3810
Alumni Association President		
3115 Peterson Parkway		
Fargo, ND 58102-1735		
Barry Batcheller		
Alumni Association Vice President		701/356-2200
Appareo Systems LLC		
1805 NDSU Research Park Drive, Suite 214		
Fargo, ND 58102		
619 Eighth Avenue East		701/282-7414
West Fargo, ND 58078		

AS AMENDED

NORTH DAKOTA STATE UNIVERSITY DEVELOPMENT FOUNDATION
1241 North University Drive
Box 5144 Fargo, North Dakota 58105-5144
701/231-6800 Toll Free 1-800-279-8971 Fax 701/231-6870

Form 990, Part VI Line 77

Tax Year Ended June 30, 2008

EIN: 23-7120898

I declare, as a representative of North Dakota State University Development Foundation and under penalties of perjury, that the attached is a true and complete copy of the revised Bylaws of the Foundation, adopted by the Board of Trustees on October 5, 2007.

Ronald G. Peterson, Controller

AS AMENDED

NORTH DAKOTA STATE UNIVERSITY DEVELOPMENT FOUNDATION
BYLAWS
As amended October 5, 2007

ARTICLE I. NAME, PURPOSE AND POWERS

Section 1: Name

The name of this non-profit corporation shall be THE NORTH DAKOTA STATE UNIVERSITY DEVELOPMENT FOUNDATION. It may be referred to in these bylaws as "the Foundation" or "the Corporation."

Section 2: Purpose

The purpose of this Foundation is to aggressively acquire resources for the support of North Dakota State University of Agriculture and Applied Science, an educational institution, located at Fargo, North Dakota.

This Foundation may receive and hold in trust any property given, devised, bequeathed, given in trust or in any other way made over to the said Foundation for the use or benefit of the North Dakota State University of Agriculture and Applied Science, or of any student or employee therein, or of any college, division, department or branch thereof, for the carrying on of any line of work in teaching, research, or university service which the donor, grantor or testator may designate.

This Foundation may invest or disburse all monies so received, manage, administer, and control all such property received, to carry out the wishes as specified by the donor. In case the gift or bequest is an undesignated or unassigned gift, it may be used as determined by the Board of Trustees.

Further, this Foundation has power to purchase, procure, own, manage, encumber or sell real estate and personal property; to borrow money; to issue bonds, notes or other evidence of indebtedness; and to execute mortgages, deeds of trust or other instruments as security for borrowing or purchases.

Section 3: Powers

The Foundation shall have all the powers of the non-profit corporation as described in Section 10-24-05 of the North Dakota Century Code.

ARTICLE II. PRINCIPAL OFFICE AND REGISTERED OFFICE AND AGENT

Section 1. Principal Office

The principal office for the transaction of the business for the Foundation is the Alumni Association and Development Foundation Center located at 1241 North University Drive, Fargo, North Dakota.

AS AMENDED

Section 2: Registered Office and Agent

The address of the registered office of the Foundation is 1241 North University Drive, Fargo, North Dakota 58102. The name of the registered agent at such address is Ronald G. Peterson.

Section 3: Change of Registered Office or Agent

The Foundation may change its registered office or change its registered agent, or both, or the registered agent may resign, by following the procedure required by Section 10-24-09 of the North Dakota Century Code.

ARTICLE III. MEMBERSHIP

The Foundation will not have any members.

ARTICLE IV. BOARD OF TRUSTEES

Section 1: Number and Term

The affairs of the Foundation shall be managed by a Board of Trustees consisting of not more than sixty elected persons. The President of North Dakota State University shall be a non-elected voting member of the Board. The President and Vice President of the NDSU Alumni Association and the Executive Director of the NDSU Development Foundation shall serve during their respective terms as ex officio non-voting members. At their discretion, the Trustees may appoint additional ex officio, non-voting members from the university professional staff to a one-year term.

Section 2: Election of Trustees and Terms

Election of Trustees shall be held at the spring business meeting of the Foundation each year.

Trustees shall be elected in rotating classes of twelve members each, to serve for a period of five years, but may be elected to succeed themselves.

Section 3: Life Members

At least sixty days prior to each spring meeting, the Executive Director shall contact each Trustee whose term is expiring to determine whether the Trustee wishes to be considered for reelection or be retired from regular membership on the Board.

Trustees choosing not to be reelected to regular terms may be nominated as "Life Members."

AS AMENDED

Life members shall generally be invited to attend and participate in meetings of the Board of Trustees, may serve on committees when appointed by the Executive Committee, and are encouraged to submit names of potential Trustees for consideration by the Committee on Trustees.

Section 4: Meetings

The Board of Trustees of the Foundation shall meet twice yearly, of which one meeting shall be held at the university.

Notice of each meeting must be given to each Trustee or his business office at least 30 days in advance of any meeting of the Board. Such notice may be waived, however, either before or after the meeting in question. Attendance of a Trustee at any meeting shall constitute a waiver of notice of such meeting except where the Trustee attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Trustees need be specified in the notice of waiver of notice at such meeting.

Special meetings may be held at any time at the call of the Chair of the Board or President of the Development Foundation, provided notice of such meeting is given one week in advance.

Section 5: Quorum

Thirty-three percent of the Trustees shall constitute a quorum who shall be authorized to transact the business of the Foundation at its business meetings.

In case of necessity, as declared by the Chair of the Board of the Foundation, questions may be decided by vote taken by mail, provided specific statements or such questions shall have been submitted to the Trustees for their consideration and decision. Replies from thirty-three percent of the Board of Trustees shall constitute a quorum.

Trustees unable to attend regularly called meetings of the Board of Trustees may designate in writing that any other Trustee may vote for them by proxy. Such written instructions must be received by the Executive Director prior to the scheduled meeting. A trustee may vote the proxy of only one other Trustee.

ARTICLE V. OFFICERS

Section 1: Election

The officers of this Foundation shall be the Chair of the Board who is the immediate past President, a President, a Senior Vice President, a Vice President, a Secretary, a Treasurer, and an Executive Director.

AS AMENDED

Officers shall be elected by the Board of Trustees at its regular spring meeting each year, and, with the exception of the Treasurer, shall serve for a period of one year commencing July 1. The Treasurer shall serve for a period of four years. Officers may be reelccted.

Section 2: Chair of the Board

The Chair of the Board serves as an Executive Committee member and with the President and Executive Director is responsible for the orientation of new trustees. The Chair of the Board is responsible for the call of the Committee on Trustees and serves as its chair.

Section 3: President

The President of the Development Foundation shall serve as chair of the Executive Committee and shall assume his/her duties at the first meeting of the Executive Committee following the end of the fiscal year on June 30, in which he/she is elected. The President shall preside at meetings of the Board of Trustees.

Section 4: Senior Vice President

The Senior Vice President of the Development Foundation shall possess all the powers and may perform the duties of the President in his/her absence or disability. He/she shall have such authority and perform such duties in the management of the business of the Development Foundation as may from time to time be assigned to him/her or determined by the Board of Trustees.

Section 5: Vice President

The Vice President shall serve in the absence of the President and the Senior Vice President of the board with respect to responsibilities and duties.

Section 6: Secretary

The Secretary of the Development Foundation shall approve all permanent records of actions taken by the Executive Committee and Foundation Board at their meetings. The minutes of the meetings shall be taken by the Executive Director or his designated staff and reviewed by the Secretary.

Section 7: Treasurer

The Treasurer of the Development Foundation shall serve as chair of the Development Foundation and Alumni Association Finance Committee and also as chair of the Audit Committee.

AS AMENDED

Section 8: Executive Director

The Executive Director shall be custodian of the monies of the Foundation and shall make disbursement thereof in such manner as is authorized by these bylaws and is approved by the Executive Committee. He shall work under the supervision of the Executive Committees of the Alumni Association and Development Foundation and the President of North Dakota State University. The Executive Director shall be responsible for hiring and supervising all staff of the Alumni Association and the Development Foundation.

The Executive Director shall be responsible for keeping correct and complete books of the Development Foundation and Alumni Association accounts and shall allow such books and records to be inspected by any Trustee or his/her agent or attorney for any proper purpose at any reasonable time. (N.D. Century Code 10-24-25.)

ARTICLE VI. EXECUTIVE COMMITTEE

Section 1: Membership

There shall also be an Executive Committee which shall meet regularly and have the authority to act for the Trustees between annual meetings. The Executive Committee shall consist of 14 members as follows: the Chair of the Board of Trustees, the President, the Senior Vice President, the Vice President, the Secretary and Treasurer of the Development Foundation and eight additional members, all to be elected by the Board of Trustees from its membership.

In case of a vacancy among the elected officers occurring between business meetings of the Board of Trustees, that office shall be filled for the remainder of the term of office by the Executive Committee.

The President of the university or his designate, the Executive Director of the Development Foundation, and the President and Vice President of the Alumni Association Board of Directors shall serve as ex officio, non-voting members of the Executive Committee.

Section 2: Authority and Responsibility

The Executive Committee shall have, and may exercise during the interval between meetings of the Trustees, all the authority vested in the Trustees except: a) authority to elect Trustees; and b) authority to change the bylaws. It shall be subject to the instructions of the Board of Trustees to which it shall report its action.

The Executive Committee shall have the responsibility to determine operational policies of the Development Foundation as recommended by one of the Development Foundation's standing committees, the Board or staff.

These policies shall be set forth in writing in a policy and procedures manual.

AS AMENDED

Section 3: Meetings

Meetings of the Executive Committee will be called by the President of the Foundation or the Executive Director.

Seven members of the Executive Committee shall constitute a quorum.

ARTICLE VII. FINANCES

Section 1: Fiscal Year

The fiscal year of the Foundation shall run from July 1 through June 30.

Section 2: Audit

The financial records of the Foundation shall be audited annually in a manner approved by the Board of Trustees.

Section 3: Loans

No loans shall be made by the Foundation to its members, Trustees or officers. (N.D. Century Code 10-24-27)

Section 4: Check Writing Authority

Checks drawn on Foundation accounts shall be signed by officers and/or staff authorized by resolution of the Executive Committee.

Section 5: Compensation

The Foundation's officers and employees shall be entitled to be reimbursed for the necessary expenses incurred in the performance of their duties. Specific policy regarding reimbursement shall be established and reviewed the Executive Committee.

Section 6: Bonds

The Foundation's officers and employees shall provide such bonds as the Executive Committee may require. The expense of the bond shall be paid by the Foundation.

ARTICLE VIII. GENERAL PROVISIONS

Section 1: Waiver of Notice

Whenever any notice is required to be given to any Trustee of the Development Foundation under the provisions of Chapter 10-24 through 10-28 of the North Dakota Century Code or under the provisions of the Articles of Incorporation or bylaws of the Foundation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. (N.D. Century Code 10-28-12)

AS AMENDED

Section 2: Action Without Meeting

Any action required by Chapters 10-24 through 10-28 of the North Dakota Century Code to be taken at a meeting of the Trustees of the Foundation or any action which may be taken at a meeting of the Trustees, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Trustees. (N.D. Century Code 10-28-13)

Section 3: Delegation of Authority

To the extent allowed by Section 10-24-21 of the North Dakota Century Code, the specific authority of the Board of Trustees to act on a particular matter may be delegated by a resolution adopted by a majority of the Trustees then in office, to the Executive Committee, a Standing Committee or any specially designated committee which consists of two or more Trustees.

Section 4: Removal of Officers

Any officer of the Foundation (including a Trustee), whether elected or appointed, may be removed by the persons authorized to elect or appoint such officer whenever in their judgment the best interest of the Foundation will be served thereby.

Section 5: Rules of Procedure

The rules contained in the latest revision of Robert's Rules of Order shall govern all meetings of the Board of Trustees and Executive Committee, except to the extent that the same may conflict with these bylaws.

ARTICLE IX. STANDING COMMITTEES

A. COMPENSATION COMMITTEE OF THE DEVELOPMENT FOUNDATION AND ALUMNI ASSOCIATION

Section 1: Membership

The Compensation Committee of the NDSU Development Foundation and Alumni Association, hereafter referred to as the Compensation Committee, shall consist of the Chair of the Board of the Foundation, who shall serve as chair of the committee, Presidents of the Foundation and Alumni Association, Senior Vice President of the Foundation, Vice Presidents of the Foundation and Alumni Association, Treasurer of the Foundation and Secretary of the Foundation.

Section 2: Duties

The Compensation Committee shall determine the Foundation and Association's compensation and benefit packages are suitable and do not provide excessive benefits or lead to material financial loss to the Foundation and Alumni Association.

AS AMENDED

The Compensation Committee shall review and establish the compensation package or plan for the Executive Director of the NDSU Development Foundation/Alumni Association. The Committee shall review and approve the compensation packages for disqualified persons, and the Committee shall review the compensation packages for the Executive Director's direct reports, including the Associate Executive Directors of the Development Foundation and the Alumni Association, the Director of Planned Giving and the Controller.

Compensation and benefit packages may include salaries, bonuses, vacations, termination benefits, deferred compensation plan, contributions to employee pension plans and indemnification agreements.

The compensation and benefit packages shall be forwarded to the Finance Committee in time to be incorporated into the fiscal year budget presented to the Executive Committee.

Section 3: Meetings

The chair of the Committee may call meetings of the Compensation Committee.

B. FINANCE COMMITTEE
OF THE DEVELOPMENT FOUNDATION AND ALUMNI ASSOCIATION

Section 1: Membership

The Development Foundation and Alumni Association Finance Committee, hereafter referred to as the Finance Committee shall consist of the Treasurer of the Development Foundation, serving as committee chair and three Foundation Trustees appointed by the President of the Foundation, the Secretary/Treasurer of the Alumni Association serving as vice chair of the committee, and two Association Directors appointed by the President of the Alumni Association.

Section 2: Duties

The Finance Committee will be responsible for reviewing the annual budget as prepared by staff, including incorporation of the compensation and benefit package approved by the Compensation Committee. The budget will be forwarded to the Executive Committee for approval.

The Finance Committee will be responsible for monitoring the flow of funds in the form of revenues, salaries and expenses, gauging the flow of funds at selected points, and ensuring compliance with expectations or recommending corrective action if the flow deviates from the plan or perceived needs.

The Finance Committee will work with staff in developing a long-range perspective for sensible growth of both programs and staff.

The Finance Committee will explore financial situations and opportunities in great detail and then summarize and communicate key financial information to the Executive Committees of the Development Foundation and the Alumni Association.

AS AMENDED

Section 3: Meetings

The Chair of the Committee may call meetings of the Finance Committee.

C. COMMITTEE ON TRUSTEES

Section 1: Membership

Sixty days prior to the spring business meeting of the Board of Trustees of the Development Foundation, the President shall appoint a seven-member committee to serve as the Committee on Trustees. The Chair of the Board of Trustees shall serve as chair of the committee. The Executive Director of the Development Foundation shall be an ex officio member of the Committee.

Section 2: Duties

The Committee on Trustees shall make such nominations as are necessary or desirable. The slate presented by the Committee on Trustees shall include Trustees to the board, Life Members, officers of the Foundation, Trustees to serve on the Executive Committee and Directors of the Fossum Foundation.

D. INVESTMENT COMMITTEE

Section 1: Membership

The Foundation President shall appoint an Investment Committee comprised of at least five, but not more than nine other members of the Board of Trustees, that shall serve at the pleasure of the Executive Committee. The Executive Director and Controller will be ex officio members of the Investment Committee.

Section 2: Duties

The duties of the Investment Committee shall be the investment of all endowed funds available for investment, and any and all such additional functions as may from time to time be designated by the Executive Committee.

E. AUDIT COMMITTEE

Section 1: Membership

The Treasurer of the Board of Trustees shall serve as chair of the Audit Committee with two other members of the Finance Committee as appointed by the chair of the Finance Committee.

AS AMENDED

Section 2: Duties

The Audit Committee shall review the annual audit and the financial report of the Foundation and Alumni Association with the independent auditors prior to the presentation of the financial report at the fall board meeting.

F. PROPERTY MANAGEMENT AND ACQUISITION COMMITTEE

Section 1: Membership

The Foundation President shall appoint a Property Management and Acquisition Committee comprised of not more than ten members of the Board of Trustees.

Section 2: Duties

The duties of the Property Management and Acquisition Committee shall be oversight of the management of existing Foundation property, described as improved and unimproved real estate, and assisting staff in the acquisition of new property with the understanding that such property will have a long term beneficial impact on North Dakota State University.

G. TRUST MANAGEMENT COMMITTEE

Section 1: Membership

The Foundation President shall appoint a Trust Management Committee comprised of at least five, but not more than twelve other members from the Board of Trustees, that shall serve at the pleasure of the Executive Committee.

Section 2: Duties

The duties of the Trust Management Committee shall be the oversight of all funds held in trust, defined as annuity trusts, unitrusts, gift annuities, and other such deferred arrangements where the benefits accrue to the Foundation following the passing of the income beneficiaries of the trust/annuity or other arrangements. Additional functions may from time to time be designated by the Executive Committee.

H. GIFT ACCEPTANCE COMMITTEE

Section 1: Membership

The Foundation President will appoint four members and committee chair annually during or immediately following the first meeting of the fiscal year.

Section 2: Duties

This committee will establish policies and procedures regarding terms of acceptance of non-cash gifts, and will accept or reject gifts for the Development Foundation consistent with those established policies.

AS AMENDED

I. COUNCIL OF PAST PRESIDENTS

Section 1: Membership

The membership of this committee will be made up of all past presidents whether currently active on the board or life members.

Section 2: Duties

This committee is to work with the Executive Director of the Development Foundation providing historical perspective of decisions that have been made or policies that were enacted for the purpose of continuity throughout staff changes that may take place or changes in the University administration.

ARTICLE X. AMENDMENT

Section 1: Vote Required

The Board of Trustees shall have the power to amend, alter or repeal these bylaws and/or adopt new bylaws by a majority vote of the Trustees present at a duly called and noticed meeting at which a quorum is present.

Section 2: Notice

A thirty-day written notice reciting the proposed change shall be given to each Trustee.

AS AMENDED