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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)	OMB No 1545-0047
		2008
	 The organization may have to use a copy of this return to satisfy state reporting requirements	Open to Public Inspection

A For the 2008 calendar year, or tax year beginning 07-01-2008 and ending 06-30-2009				
B Check if applicable ☐ Address change ☐ Name change ☐ Initial return ☐ Termination ☐ Amended return ☐ Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization University of South Dakota Foundation		D Employer identification number 46-6018891
		Doing Business As		E Telephone number (605) 677-6703
		Number and street (or P O box if mail is not delivered to street address) 1110 N Dakota PO BOX 5555	Room/suite	G Gross receipts \$ 78,673,243
		City or town, state or country, and ZIP + 4 Vermillion, SD 57069		
F Name and address of Principal Officer J Bryan Benchoff 1110 N Dakota PO BOX 5555 Vermillion, SD 57069		H(a) Is this a group return for affiliates? ☐ Yes ☒ No		
I Tax-exempt status ☒ 501(c) (3)  (insert no) ☐ 4947(a)(1) or ☐ 527		H(b) Are all affiliates included? ☐ Yes ☐ No (If "No," attach a list See instructions)		
J Web site:  www.usdfoundation.org		H(c) Group Exemption Number 		
K Type of organization ☒ Corporation ☐ trust ☐ association ☐ other 			L Year of Formation 1928	M State of legal domicile SD

Part I	Summary
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Activities & Governance	1 Briefly describe the organization's mission or most significant activities The University of South Dakota Foundation provides gifts, grants, and scholarships to or for the benefit of the University of South Dakota These funds are disbursed to USD students or departments based on financial need, qualifications, and/or in accordance with the donor's wishes		
	2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its assets		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	24
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	24
	5 Total number of employees (Part V, line 2a)	5	160
	6 Total number of volunteers (estimate if necessary)	6	24
	7a Total gross unrelated business revenue from Part VIII, line 12, column (C) . . .	7a	0
	b Net unrelated business taxable income from Form 990-T, line 34 . . .	7b	0
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 15,773,124	Current Year 12,097,785
	9 Program service revenue (Part VIII, line 2g)	169,523	207,434
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	14,972,072	-6,080,827
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		0
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	30,914,719	6,224,392
	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	11,252,164	18,915,334
Expenses	14 Benefits paid to or for members (Part IX, column (A), line 4)		0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	1,624,620	1,737,144
	16a Professional fundraising fees (Part IX, column (A), line 11e)		0
	b (Total fundraising expenses, Part IX, column (D), line 25 346,254)		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	1,704,930	1,496,234
	18 Total expenses—add lines 13–17 (must equal Part IX, line 25, column (A))	14,581,714	22,148,712
	19 Revenue less expenses Subtract line 18 from line 12	16,333,005	-15,924,320
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Year 181,955,064	End of Year 154,436,520
	21 Total liabilities (Part X, line 26)	12,784,315	10,849,359
	22 Net assets or fund balances Subtract line 21 from line 20	169,170,749	143,587,161

Part II	Signature Block
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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	2009-11-20 Date
	 J Bryan Benchoff President Type or print name and title	

Paid Preparer's Use Only	Preparer's signature  Laune Hanson	Date 2009-11-20	Check if self-employed ☐	Preparer's PTIN (See Gen Inst)
	Firm's name (or yours if self-employed), address, and ZIP + 4 EIDE BAILLY LLP			EIN 
	200 EAST 10TH ST PO BOX 5125 SIOUX FALLS, SD 571175125			Phone no  (605) 339-1999

May the IRS discuss this return with the preparer shown above? (See instructions) ☒ Yes ☐ No

Part III

Statement of Program Service Accomplishments (See the instructions.)

1

Briefly describe the organization’s mission

See Additional Data Table

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes

No

If “Yes,” describe these new services on Schedule O

3

Did the organization cease conducting or make significant changes in how it conducts any program services?

Yes

No

If “Yes,” describe these changes on Schedule O

4

Describe the exempt purpose achievements for each of the organization’s three largest program services by expenses
Section 501(c)(3) and (4) organizations and 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a

(Code

) (Expenses \$

5,330,456

including grants of \$

) (Revenue \$

)

Provide scholarship funds to increase the academic excellence of the student body and the quality of their educational experience. During the fiscal year ended June 30, 2009, the University of South Dakota Foundation ("Foundation") provided \$18,880,775 to the University of South Dakota ("USD"). Included in this amount was scholarship support in the amount of \$5.3 million. Scholarships are awarded for both recruiting and retention purposes. A new freshman recruiting scholarship program was started in 2003 that has been instrumental in helping to accomplish USD's enrollment objectives. The amount of scholarships provided since this new program began has increased from \$1.9 million to \$5.3 million (280% increase). Total enrollment increased 21.5% since 2003 and the number of freshman fitting the ACT requirements to receive the scholarship increased 15%. The retention rate also continues to increase as a result of the freshman scholarship program.

4b

(Code

) (Expenses \$

10,938,951

including grants of \$

) (Revenue \$

)

Provide funds to construct new campus facilities and restore, repair and maintain existing facilities. The Foundation has been instrumental in a major renovation and reconstruction of facilities at USD. During the fiscal year ended June 30, 2009, \$10.9 million was provided to USD for this purpose. Since 1994, \$40.6 million has been provided for facilities that have enhanced the students educational experience and opportunities and have resulted in a new Health Science Information Center building, the renovation of a Childcare facility, replacement of the Dakota Dome roof, renovation of a technological state of the art Allen H. Neuharth Center for Communications and Journalism, renovation of two historical buildings - Old Main and Belbas Center - to be used for classrooms and student services, renovation of the Lee Medical School building, construction of the Muenster University Center - student center, and construction of a new Beacom School of Business building.

4c

(Code

) (Expenses \$

2,645,927

including grants of \$

) (Revenue \$

)

Provide funds for salary augmentation and other support of the academic faculty, and funds to support USD museums and various other auxiliary programs. During the fiscal year ended June 30, 2009, the Foundation provided \$2.6 million to USD to support operations and programs. Included in this total was \$876 thousand provided for faculty, in the form of salary augmentation, faculty travel and professional development and research. Support to students for travel, assistantships, internships, research, etc was provided in the amount of \$553 thousand. Lectures, programs and operational support benefited by \$1.2 million.

4d

Other program services (Describe in Schedule O)

(Expenses \$

including grants of \$

) (Revenue \$

)

4e

Total program service expenses \$

18,915,334

Must equal Part IX, Line 25, column (B).

Form 990 (2008)

Part IV

Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1	Yes
2	Is the organization required to complete Schedule B, Schedule of Contributors? 	2	Yes
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	No
4	Section 501(c)(3) organizations Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	4	No
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5	
6	Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 	6	No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II	7	No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 	9	No
10	Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10	Yes
11	Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable 	11	Yes
12	Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII 	12	No
13	Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a	Did the organization maintain an office, employees, or agents outside of the U S ?	14a	No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U S ? If "Yes," complete Schedule F, Part I	14b	No
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II	15	No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III	16	No
17	Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I	17	No
18	Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19	Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20	Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20	No
21	Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II 	21	Yes
22	Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III 	22	No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J 	23	Yes
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to question 25	24a	No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a	Section 501(c)(3) and 501(c)(4) organizations Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	No
b	Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I	25b	No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26	No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27	No

Part IV Checklist of Required Schedules (Continued)

		Yes	No
28	During the tax year, did any person who is a current or former officer, director, trustee, or key employee		
a	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If "Yes," complete Schedule L, Part IV	28a	No
b	Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV	28b	No
c	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? If "Yes," complete Schedule L, Part IV	28c	No
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M 	29	Yes
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M 	30	Yes
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I 	31	No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32	No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I 	33	Yes
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1 	34	No
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2 	35	No
36	501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2 	36	No
37	Did the organization conduct more than 5 percent of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI 	37	No

Part V

Statements Regarding Other IRS Filings and Tax Compliance

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a90		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes	
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a160		
b	If at least one is reported in 2a, did the organization file all required federal employment tax returns? . . . Note: <i>If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return.</i>	2b		
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a		No
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b		
4a	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)?	4a		No
b	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 .			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . .	5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No
c	If "Yes," to 5a or 5b, did the organization file Form 8886-T, <i>Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction</i> ?	5c		
6a	Did the organization solicit any contributions that were not tax deductible?	6a	Yes	
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	Yes	
7	Organizations that may receive deductible contributions under section 170(c).			
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of \$75 or more?	7a		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .	7f		No
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g		No
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h		No
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.			
a	Did the organization make any taxable distributions under section 4966?	9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
10	Section 501(c)(7) organizations. Enter			
a	Initiation fees and capital contributions included on Part VIII, line 12	10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11	Section 501(c)(12) organizations. Enter			
a	Gross income from members or shareholders	11a		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		

Part VI

Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

For each "Yes" response to lines 2-7 below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

1a

Enter the number of voting members of the governing body

1a

24

b

Enter the number of voting members that are independent

1b

24

2

Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?

2

No

3

Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?

3

No

4

Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?

4

No

5

Did the organization become aware during the year of a material diversion of the organization's assets?

5

No

6

Does the organization have members or stockholders?

6

No

7a

Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?

7a

No

b

Are any decisions of the governing body subject to approval by members, stockholders, or other persons?

7b

No

8

Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following

8a

the governing body?

8a

Yes

b

each committee with authority to act on behalf of the governing body?

8b

Yes

9a

Does the organization have local chapters, branches, or affiliates?

9a

No

b

If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?

9b

10

Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990

10

Yes

11

Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O

11

No

Section B. Policies

12a

Does the organization have a written conflict of interest policy? If "No", go to line 13

12a

Yes

b

Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?

12b

No

c

Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done

12c

Yes

13

Does the organization have a written whistleblower policy?

13

Yes

14

Does the organization have a written document retention and destruction policy?

14

Yes

15

Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision

a

The organization's CEO, Executive Director, or top management official?

15a

Yes

b

Other officers or key employees of the organization?

15b

Yes

Describe the process in Schedule O

16a

Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?

16a

No

b

If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable Federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?

16b

Section C. Disclosure

17

List the States with which a copy of this Form 990 is required to be filed

18

Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☒ own website ☒ another's website ☒ upon request

19

Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.

20

State the name, physical address, and telephone number of the person who possesses the books and records of the organization.
Karen Davies
USD Foundation PO Box 5555
Vermillion, SD 57069
(605) 677-6709

Section A Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

☐ Check this box if the organization did not compensate any officer, director, trustee or key employee

Form 990 (2008)

Part VIII

Statement of Revenue

				(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514		
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a						
	b	Membership dues							
			1b						
	c	Fundraising events							
			1c						
	d	Related organizations	1d						
	e	Government grants (contributions)	1e						
	f	All other contributions, gifts, grants, and similar amounts not included above	12,097,785						
			1f						
g	Noncash contributions included in lines 1a-1f \$								
h	Total (Add lines 1a-1f)			12,097,785					
Program Service Revenue			Business Code						
	2a	Administrative fees	561,000	207,434	207,434				
	b								
	c								
	d								
	e								
	f	All other program service revenue							
	g	Total. Add lines 2a-2f							
		\$ 207,434							
Other Revenue	3	Investment income (including dividends, interest other similar amounts)		4,101,438			4,101,438		
	4	Income from investment of tax-exempt bond proceeds							
	5	Royalties							
	6a	Gross Rents	(i) Real	(ii) Personal					
			81,270						
			81,270						
	b	Less rental expenses							
	c	Rental income or (loss)							
	d	Net rental income or (loss)							
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other					
			59,385,549	2,799,767					
			69,894,972	2,472,609					
			-10,509,423	327,158					
	b	Less cost or other basis and sales expenses							
	c	Gain or (loss)							
	d	Net gain or (loss)		-10,182,265			-10,182,265		
	8a	Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18 Attach Schedule G if total exceeds \$15,000							
									a
	b	Less direct expenses	b						
	c	Net income or (loss) from fundraising events							
	9a	Gross income from gaming activities See part IV, line 19 Complete Schedule G if total exceeds \$15,000							
									a
b	Less direct expenses	b							
c	Net income or (loss) from gaming activities								
10a	Gross sales of inventory, less returns and allowances								
								a	
b	Less cost of goods sold	b							
c	Net income or (loss) from sales of inventory								
Miscellaneous Revenue		Business Code							
11a									
b									
c									
d	All other revenue								
e	Total. Add lines 11a-11d \$								
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e			6,224,392	207,434	0	-6,080,827		

Part IX

Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).					
Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	18,915,334	18,915,334		
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	330,899		227,315	103,584
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	1,111,282			
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	35,687		35,687	
9	Other employee benefits	153,082		153,082	
10	Payroll taxes	106,194		106,194	
11	Fees for services (non-employees)				
a	Management				
b	Legal	23,189		23,189	
c	Accounting	42,506		42,506	
d	Lobbying				
e	Professional fundraising See Part IV, line 17				
f	Investment management fees	567,942		567,942	
g	Other	15,518		15,518	
12	Advertising and promotion	34,876		34,876	
13	Office expenses	66,679		66,679	
14	Information technology	82,256		82,256	
15	Royalties				
16	Occupancy	61,443		61,443	
17	Travel	69,181		69,181	
18	Payments of travel or entertainment expenses for any Federal, state or local public officials				
19	Conferences, conventions and meetings	42,748		42,748	
20	Interest	2,939		2,939	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	112,459		112,459	
23	Insurance				
24	Other expenses—Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	Fundraising	242,670			242,670
b	Search & Hire fees	37,333		37,333	
c	Miscellaneous	32,619		32,619	
d	Rawlins Society	29,256		29,256	
e	Research & Subscription	21,879		21,879	
f	All other expenses	10,741		10,741	
25	Total functional expenses. Add lines 1 through 24f	22,148,712	18,915,334	2,887,124	346,254
26	Joint Costs. Check ☐ if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year	
Assets	1	Cash—non-interest-bearing	3,957,032	1	11,750,184
	2	Savings and temporary cash investments	1,904,444	2	3,708,509
	3	Pledges and grants receivable, net	26,466,182	3	22,804,664
	4	Accounts receivable, net	28,223	4	58,573
	5	Receivables from current and former officers, directors, trustees, key employees or other related parties <i>Complete Part II of Schedule L</i>		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) <i>Complete Part II of Schedule L</i>		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	55,917	9	78,656
	10a	Land, buildings, and equipment cost basis			
		10a	1,880,441		
	b	Less accumulated depreciation <i>Complete Part VI of Schedule D</i>			
		10b	770,129		
			1,144,335	10c	1,110,312
	11	Investments—publicly traded securities	112,136,451	11	97,775,107
	12	Investments—other securities See Part IV, line 11 <i>Complete Part VII of Schedule D</i>	33,744,728	12	16,633,885
13	Investments—program-related See Part IV, line 11 <i>Complete Part VIII of Schedule D</i>		13		
14	Intangible assets		14		
15	Other assets See Part IV, line 11 <i>Complete Part IX of Schedule D</i>	2,517,752	15	516,630	
16	Total assets. Add lines 1 through 15 (must equal line 34)	181,955,064	16	154,436,520	
Liabilities	17	Accounts payable and accrued expenses	130,164	17	197,755
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow account liability <i>Complete Part IV of Schedule D</i>		21	
	22	Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons <i>Complete Part II of Schedule L</i>		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable	47,297	24	35,574
	25	Other liabilities <i>Complete Part X of Schedule D</i>	12,606,854	25	10,616,030
	26	Total liabilities. Add lines 17 through 25	12,784,315	26	10,849,359
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	6,007,446	27	-3,897,540
	28	Temporarily restricted net assets	68,378,912	28	44,183,394
	29	Permanently restricted net assets	94,784,391	29	103,301,307
	Organizations that do not follow SFAS 117, check here ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	169,170,749	33	143,587,161
	34	Total liabilities and net assets/fund balances	181,955,064	34	154,436,520

Part XI Financial Statements and Reporting

		Yes	No
1	Accounting method used to prepare the Form 990 ☐ cash ☒ accrual ☐ other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	No
b	Were the organization's financial statements audited by an independent accountant?	2b	No
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	No
b	If "Yes," did the organization undergo the required audit or audits?	3b	

SCHEDULE A
(Form 990 or 990EZ)

Department of the
Treasury
Internal Revenue
Service

Name of the organization
University of South Dakota Foundation

Public Charity Status and Public Support

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.
Attach to Form 990 or Form 990-EZ. See separate instructions.

OMB No 1545-0047

2008

Open to Public Inspection

Employer identification number

46-6018891

Part I Reason for Public Charity Status (to be completed by all organizations) (See Instructions)

The organization is not a private foundation because it is (Please check only one organization)

- 1

☐

A church, convention of churches, or association of churches described in Section 170(b)(1)(A)(i).
- 2

☐

A school described in Section 170(b)(1)(A)(ii). (Attach Schedule E)
- 3

☐

A hospital or a cooperative hospital service organization described in Section 170(b)(1)(A)(iii). (Attach Schedule H)
- 4

☐

A medical research organization operated in conjunction with a hospital described in Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state
- 5

☐

An organization operated for the benefit of a college or university owned or operated by a governmental unit described in Section 170(b)(1)(A)(iv). (Complete Part II)
- 6

☐

A federal, state, or local government or governmental unit described in Section 170(b)(1)(A)(v).
- 7

☒

An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in Section 170(b)(1)(A)(vi) (Complete Part II)
- 8

☐

A community trust described in Section 170(b)(1)(A)(vi) (Complete Part II)
- 9

☐

An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% 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). (Complete Part III)
- 10

☐

An organization organized and operated exclusively to test for public safety See Section 509(a)(4). (See instructions)
- 11

☐

An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See Section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h
- a

☐

Type I
- b

☐

Type II
- c

☐

Type III - Functionally Integrated
- d

☐

Type III - Other
- e

☐

By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
- f

☐

If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box
- g

☐

Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
- (i)

a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?
- (ii)

a family member of a person described in (i) above?
- (iii)

a 35% controlled entity of a person described in (i) or (ii) above?
- h

☐

Provide the following information about the organizations the organization supports

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(i) Name of Supported Organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (See Instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support?
			Yes	No	Yes	No	Yes	No	
Total									

Part II

Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Public Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")	6,358,764	45,596,794	11,568,568	15,773,124	12,097,785	91,395,035
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add line 1-3	6,358,764	45,596,794	11,568,568	15,773,124	12,097,785	91,395,035
5 The portion of total contribution by each person (other than a government unit or publicly supported organization) included on line 1 that exceed 2% of the amount shown on line 11, column (f)						16,271,319
6 Public Support subtract line 5 from line 4						75,123,716

Total Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4	6,358,764	3,858,112	11,568,568	15,773,124	12,097,785	91,395,035
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	1,987,071	3,858,112	6,170,513	5,293,397	4,182,708	21,491,801
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total Support (Add lines 7 through 10)						112,886,836
12 Gross receipts from related activities, etc (See instructions)					12	376,957

13 First Five Years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ☐

Computation of Public Support Percentage		
14 Public Support Percentage for 2008 (line 6 column (f) divided by line 11 column (f))	14	66 550 %
15 Public Support Percentage for 2007 Schedule A, Part IV-A, line 26f	15	64 050 %

- 16a 33 1/3% Test - 2008.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ☒
- b 33 1/3% Test - 2007.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ☐
- 17a 10% Facts and Circumstances Test - 2008.** If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ☐
- b 10% Facts and Circumstances Test - 2007.** If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ☐
- 18 Private Foundation.** If the organization did not check the box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions ☐

Part IIISupport Schedule for Organizations Described in IRC 509(a)(2)
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3Gross receipts from activities that are not an unrelated trade or business under section 513						
4Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5The value of services or facilities furnished by a governmental unit to the organization without charge						
6Total Add lines 1-5						
7aAmounts included on lines 1, 2, and 3 received from disqualified persons						
bAmounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
cTotal of lines 7a and 7b						
8Public Support (Subtract line 7c from line 6)						

Total Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9Amounts from line 6						
10aGross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
bUnrelated business taxable income (less section 511 taxes) from businesses acquired after 30 June, 1975						
cAdd lines 10a and 10b						
11Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13Total Support (Add lines 9, 10c, 11 and 12)						
14First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Computation of Public Support Percentage			
15	Public Support Percentage for 2008 (line 8 column (f) divided by line 13 column (f))	15	
16	Public Support Percentage for 2007 Schedule A, Part IV -A, line 27g	16	

Computation of Investment Income Percentage			
17	Investment Income Percentage for 2008 (line 10c column (f) divided by line 13 column (f))	17	
18	Investment Income Percentage from 2007 Schedule A, Part IV -A, line 27h	18	
19a	33 1/3% Tests - 2008. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization		
b	33 1/3% Tests - 2007. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization		
20	Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions		

Part IV **Supplemental Information.** Complete this part to provide the information required by Part II, line 10; Part II, line 17a or 17b, or Part III, line 12. Provide and any other additional information. (see instructions)

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization University of South Dakota Foundation	Employer identification number 46-6018891
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Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate Contributions to (during year)	
3	Aggregate Grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes☐ No	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? ☐ Yes☐ No	

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1

Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or pleasure)☐ Preservation of an historically importantly land area☐ Protection of natural habitat☐ Preservation of certified historic structure☐ Preservation of open space

2

Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Year
a	Total number of conservation easements
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year

4

Number of states where property subject to conservation easement is located

5

Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds?

☐ Yes☐ No

6

Staff or volunteer hours devoted to monitoring, inspecting and enforcing easements during the year

7

Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year \$

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?

☐ Yes☐ No

9

In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization’s financial statements that describes the organization’s accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a

If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b

If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 \$

(ii) Assets included in Form 990, Part X \$

2

If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a

Revenues included in Form 990, Part VIII, line 1 \$

b

Assets included in Form 990, Part X \$

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3

Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

Trust, Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

If "Yes," explain why in Part XIV and complete the following table

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a Beginning of year balance	133,250,183				
b Contributions	10,471,802				
c Investment earnings or losses	-10,251,544				
d Grants or scholarships	3,147,198				
e Other expenditures for facilities and programs	1,509,025				
f Administrative expenses	2,649,246				
g End of year balance	126,164,972				

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶ 0 260 %

b

Permanent endowment ▶ 81 880 %

c

Term endowment ▶ 17 860 %

3a

Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i)

unrelated organizations

3a(i)

Yes

(ii)

related organizations

3a(ii)

Yes

b

If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

3b

4

Describe in Part XIV the intended uses of the organization's endowment funds

Part VI

Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		100,701		100,701
b Buildings		1,230,019	424,282	805,737
c Leasehold improvements				
d Equipment		549,721	345,847	203,874
e Other				
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				1,110,312

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other Repurchase Agreements	3,000,000	C
Other Pimco All Asset Funds	10,840,223	F
Other Real Estate Partnership	2,793,662	F
Total. (Column (b) should equal Form 990, Part X, col (B) line 12) ▶	16,633,885	

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. (Column (b) should equal Form 990, Part X, col (B) line 13)		

(a) Description	(b) Book value
Total. (Column (b) should equal Form 990, Part X, col.(B) line 15.)	

(a) Description of Liability	(b) Amount
Federal Income Taxes	
Investments Held for Others	9,390,917
Gift Annuities	1,225,113
Total. (Column (b) should equal Form 990, Part X, col (B) line 25)	10,616,030

Schedule D (Form 990) 2008

Part XI

Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	6,224,392
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	22,148,712
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	-15,924,320
4	Net unrealized gains (losses) on investments	4	-8,980,807
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-678,461
9	Total adjustments (net) Add lines 4 - 8	9	-9,659,268
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	-25,583,588

Part XII

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	-3,353,606
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	-8,980,807
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	-597,191
e	Add lines 2a through 2d	2e	-9,577,998
3	Subtract line 2e from line 1	3	6,224,392
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	0
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	6,224,392

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	22,229,982
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	81,270
e	Add lines 2a through 2d	2e	81,270
3	Subtract line 2e from line 1	3	22,148,712
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	0
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	22,148,712

Part XIV

Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part XIV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b

Identifier	Return Reference	Explanation
Part V, Line 4	Description of Intended Use of Endowment Funds	The Foundation attempts to provide a predictable stream of funding to USD programs and scholarships supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Appropriations are made annually, based on a distribution that is carefully reviewed by the Board of Directors. The appropriations are used for the purposes as defined in the agreement between the Foundation and donor on the underlying endowment.
Part X	Description of Uncertain Tax Positions Under FIN 48	In July 2006, Financial Interpretation No. 48, Accounting for Uncertainty in Income taxes, (FIN No 48) was issued. Subsequent to its original issuance, the effective date of its implementation for nonpublic enterprises has been deferred, and is currently deferred for nonpublic enterprises until years beginning after December 15, 2008. The Organization has elected to defer implementation of FIN No. 48, as allowable. The Organization undergoes an annual analysis of its various tax positions, assessing the likelihood of those positions being upheld upon examination with relevant tax authorities, as defined by FIN No. 48.

Identifier

Return Reference

Explanation

Part V, Line 4

Description of Intended Use of Endowment Funds

The Foundation attempts to provide a predictable stream of funding to USD programs and scholarships supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Appropriations are made annually, based on a distribution that is carefully reviewed by the Board of Directors. The appropriations are used for the purposes as defined in the agreement between the Foundation and donor on the underlying endowment.

Part X

Description of Uncertain Tax Positions Under FIN 48

In July 2006, Financial Interpretation No. 48, Accounting for Uncertainty in Income taxes, (FIN No 48) was issued. Subsequent to its original issuance, the effective date of its implementation for nonpublic enterprises has been deferred, and is currently deferred for nonpublic enterprises until years beginning after December 15, 2008. The Organization has elected to defer implementation of FIN No. 48, as allowable. The Organization undergoes an annual analysis of its various tax positions, assessing the likelihood of those positions being upheld upon examination with relevant tax authorities, as defined by FIN No. 48.

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
University of South Dakota Foundation

Grants and Other Assistance to Organizations,
Governments and Individuals in the U.S.

Complete if the organization answered "Yes," on Form 990, Part IV, lines 21 or 22. Attach to Form 990.

OMB No 1545-0047

2008

Open to Public
Inspection

Employer identification number
46-6018891

Part I

General Information on Grants and Assistance

- 1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☐ Yes ☒ No
- 2

Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 if additional space is needed

1(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
University of South Dakota 414 East Clark Street Vermillion, SD 57069	46-6000364	501(c)(3)	18,828,691	29,619	Appraisal, Expert opinion	Gifts made to USDF by donors for the benefit of USD	Scholarships, Buildings & Facilities, Operational and programs
South Dakota State University PO Box 2201 Brookings, SD 57007	46-6000364	501(c)(3)	18,900				Scholarships
Sitting Bull College 1341 92nd Street Ft Yates, SD 58538	23-7373765	501(c)(3)	52,084				Programs

2

Enter total number of section 501(c)(3) and government organizations

3

3

Enter total number of other organizations

0

Part III

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Use Schedule I-1 (Form 990) if additional space is needed.

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e) Method of valuation (book, FMV , appraisal, other)	(f)Description of non-cash assistance

Part IV

Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

Identifier	Return Reference	Explanation

Schedule J
(Form 990)

Department of the
Treasury
Internal Revenue
Service

Compensation Information

OMB No 1545-0047

2008

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Inspection

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees
➤ Attach to Form 990. To be completed by organizations
that answered "Yes" to Form 990, Part IV, line 23.

Name of the organization University of South Dakota Foundation	Employer identification number 46-6018891
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Part I

Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. ☐ First class or charter travel ☐ Travel for companions ☐ Tax idemnification and gross-up payments ☐ Discretionary spending account ☐ Housing allowance or residence for personal use ☐ Payments for business use of personal residence ☐ Health or social club dues or initiation fees ☐ Personal services (e g , maid, chauffeur, chef)		
b	If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain	1b	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply. ☒ Compensation committee ☐ Independent compensation consultant ☐ Form 990 of other organizations ☒ Written employment contract ☒ Compensation survey or study ☒ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a		
a	Receive a severance payment or change of control payment?	4a	No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	No
c	Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III	4c	No
	501(c)(3) and 501(c)(4) organizations only must complete lines 5-8.		
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
a	The organization?	5a	No
b	Any related organization? If "Yes," to line 5a or 5b, describe in Part III	5b	No
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of		
a	The organization?	6a	No
b	Any related organization? If "Yes," to line 6a or 6b, describe in Part III	6b	No
7	For persons listed in form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	No
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	No

Part II

Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations described in the instructions on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
J Bryan Benchoff	(i)	182,908		31,579		18,897	233,384	
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Software ID:

Software Version:

EIN: 46-6018891

Name: University of South Dakota Foundation

Part IIISupplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
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SCHEDULE M
(Form 990)

Department of the Treasury
Internal Revenue Service

Non-Cash Contributions

To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 29 or 30.
Attach to Form 990

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
University of South Dakota Foundation

Employer identification number
46-6018891

Part I

Types of Property

	(a) Check if applicable	(b) Number of Contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1 Art—Works of art	X	6	22,041	Expert opinion
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods	X		2,185	Selling price
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded	X	19	170,879	Ave of high & low mkt price
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution (historic structures)				
14 Qualified conservation contribution (other)				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other (describe Musical instruments)	X	3	1,900	Expert opinion
26 Other (describe Computer equipment)	X	3	16,760	Selling price
27 Other (describe Miscellaneous)	X	2	2,343	Selling price
28 Other (describe)				
29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement			29	2

30a	During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?	30a	No
b	If "Yes", describe the arrangement in Part II		
31	Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	31	Yes
32a	Does the organization hire or use third parties or related organizations to solicit, process, or sell non-cash contributions?	32a	No
b	If "Yes", describe in Part II		
33	If the organization did not report revenues in Column (c) for a type of property for which Column (a) is checked, describe in Part II		

[illegible]

SCHEDULE O
(Form 990)

Supplemental Information to Form 990

OMB No 1545-0047

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

► **Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.**

Name of the organization University of South Dakota Foundation	Employer identification number 46-6018891
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Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 10		The CFO review s the 990 in detail After her review , the 990 is provided to each board member If the 990 is ready by the Dakota Days meeting in October, it w ill be presented to the governing board at that time Approval w ill be sought at that meeting If the 990 is not ready by that time, it w ill be emailed to the governing body and they w ill be required to respond w ith their approval The 990 w ill not be filed until board approval is attained

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 12c		New board members sign a conflict of interest statement upon appointment Other board members are currently required to sign a conflict of interest statement every three years They are asked to notify the Foundation immediately if a conflict arises This procedure covers the entire governing board, employee-officers and key employees

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 15		The Executive Board serves as the personnel committee Compensation and benefits for the CEO are determined by this committee Wage and benefit adjustments for the CEO are determined annually by this committee The committee gathers salary information from employment surveys to use for comparison Upon hire, the committee enters into an employment contract w ith the person chosen for the CEO position Compensation for the CFO is recommended to the Executive Board by the CEO The Executive Board approves all compensation levels and wage adjustments Actions are documented in minutes

Identifier	Return Reference	Explanation
Form 990, Part VI, Section C, line 19		The financial statements are available on the w ebsite All documents are available upon request

Identifier	Return Reference	Explanation
Form 990, Part XI, Line 2	Organization's Financial Statements audited by Independent Accountant	The Audit report for University of South Dakota Foundation is a consolidated report w ith USDF, LLC Therefore, questions 2a and 2b in Part XI of the Form 990 have been answered no in accordance w ith the 990 instructions

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Attach to Form 990. To be completed by organizations that answerd "Yes" to Form 990, Part IV, lines 33, 34, 35, 36, or 37.
▶ See separate instructions.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
University of South Dakota Foundation

Employer identification number
46-6018891

Part I

Identification of Disregarded Entities

(A) Name, address, and EIN of disregarded entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Total income	(E) End-of-year assets	(F) Direct controlling entity
USDF LLC 1110 N DAKOTA PO BOX 5555 Vermillion, SD 57069 46-6018891	Hold and manage real estate for Foundation	SD	408,928	315,720	

Part II

Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity

Part III

Identification of Related Organizations Taxable as a Partnership

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Predominant income(related, investment, unrelated)	(F) Share of total income	(G) Share of end-of- year assets	(H) Disproporionate allocations?		(I) Code V—UBI amount on Box 20 of K-1	(J) General or managing partner?	
							Yes	No		Yes	No

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Type of entity (C corp, S corp, or trust)	(F) Share of total income	(G) Share of end-of-year assets	(H) Percentage ownership

Part V

Transactions with Related Organizations

Note. Complete line 1 if any entity is listed in Parts II, III or IV

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity

b Gift, grant, or capital contribution to other organization(s)

c Gift, grant, or capital contribution from other organization(s)

d Loans or loan guarantees to or for other organization(s)

e Loans or loan guarantees by other organization(s)

f Sale of assets to other organization(s)

g Purchase of assets from other organization(s)

h Exchange of assets

i Lease of facilities, equipment, or other assets to other organization(s)

j Lease of facilities, equipment, or other assets from other organization(s)

k Performance of services or membership or fundraising solicitations for other organization(s)

l Performance of services or membership or fundraising solicitations by other organization(s)

m Sharing of facilities, equipment, mailing lists, or other assets

n Sharing of paid employees

o Reimbursement paid to other organization for expenses

p Reimbursement paid by other organization for expenses

q Other transfer of cash or property to other organization(s)

r Other transfer of cash or property from other organization(s)

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds		
(A) Name of other organization(s)	(B) Transaction type(a-r)	(C) Amount Involved
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		

Schedule R (Form 990) 2008

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Additional Data

Software ID:

Software Version:

EIN: 46-6018891

Name: University of South Dakota Foundation

Form 990, Part VII - Section Aaa

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)							(D) Reportable compensation from the organization (W- 2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former				
Warren L Prostromlo , Board of Directors	50	X						0	0	0	
Richard E Brown , Board of Directors	40	X						0	0	0	
Gary L Conradi , Board of Directors	40	X						0	0	0	
Susan M French , Board of Directors	50	X						0	0	0	
Nancy A Gallagher , Board of Directors	40	X						0	0	0	
John Grundhofer , Board of Directors	70	X						0	0	0	
Thomas L Heinz , Board of Directors	40	X						0	0	0	
John L Lillibridge , Board of Directors	40	X						0	0	0	
George M Mickelson , Board of Directors	40	X						0	0	0	
Daniel J Kelly , Board of Directors	40	X						0	0	0	
Philip A Odeen , Board of Directors	40	X						0	0	0	
Stephanie R Otto , Board of Directors	40	X						0	0	0	
Ellengray Kennedy , Board of Directors	40	X						0	0	0	
Gary Begeman , Board of Directors	40	X						0	0	0	
Gina Knox , Board of Directors	40	X						0	0	0	
John Waltner , Board of Directors	40	X						0	0	0	
Lorraine Hart , Board of Directors	40	X						0	0	0	
Robert Hollingsworth , Board of Directors	50	X						0	0	0	
Dean Belbas , Board of Directors	40	X						0	0	0	
Michael Casey , Board of Directors	40	X						0	0	0	
Clayton Cudmore , Board of Directors	40	X						0	0	0	
Paul J Lewis , Chair	70	X		X				0	0	0	
Doyle Knudson , Chair-Elect	50	X		X				0	0	0	
Vern O Holter , Treasurer/Secretary	40	X		X				0	0	0	
J Bryan Benchoff , CEO	40 00			X				214,487	0	17,921	
Karen Davies , CFO	40 00			X				94,935	0	13,268	
Thomas Stogsdill , Vice President	40 00					X		132,322	0	15,406	

Form 990, Part III, Line 1 - Briefly describe the organization's mission:

The mission of the University of South Dakota Foundation ("Foundation") is to provide private resources for The University of South Dakota ("USD"), in order to increase the excellence of the USD student's educational experience, with the overriding goal of creating the best small public university in the country emphasizing excellence in teaching. The Foundation will supplement the State's funding to USD primarily in the following areas: 1) providing scholarship funds to increase the academic excellence of the student body and the quality of their educational experience; 2) providing funds to construct new campus facilities and restore, repair and maintain existing facilities; 3) providing funds for salary augmentation and other support of the academic faculty and for the support of USD museums and other various auxiliary programs, facilities and services.