Form **990-EZ**

Department of the Treasury
Internal Revenue Service

Short Form
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)

► Sponsoring organizations of donor advised funds and controlling organizations as defined in section 512(b)(13) must file Form 990. All other organizations with gross receipts less than $1,000,000 and total assets less than $2,500,000 at the end of the year may use this form.

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

OMB No 1545-1150

2008

Open to Public Inspection

A For the 2008 calendar year, or tax year beginning 7/01, 2008, and ending 6/30, 2009

B Check if applicable: [ ] Address change [X] Name change [ ] Initial return [ ] Termination [ ] Amended return [ ] Application pending

Please use IRS label or print or type. See Specific Instructions.

C RESTORATIVE JUSTICE COMMUNITY ACTION
1201 MARQUETTE AVE #330
MINNEAPOLIS, MN 55403

D Employer identification number: 87-0749129

E Telephone number: 612-746-0788

F Group Exemption Number ►

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

G Accounting method [ ] Cash [X] Accrual Other (specify) ►

H Check ► [ ] if the organization is **not** required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

I Website: ► www.rjca-inc.org

J Organization type (check only one) — [X] 501(c) (3) ◄ (insert no.) [ ] 4947(a)(1) or [ ] 527

K Check ► [ ] if the organization is not a section 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.

L Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts; if $1,000,000 or more, file Form 990 instead of Form 990-EZ ► $ 343,913.

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

Revenue	1	Contributions, gifts, grants, and similar amounts received			1	336,193.
	2	Program service revenue including government fees and contracts			2	7,447.
	3	Membership dues and assessments			3	
	4	Investment income			4	273.
	5a	Gross amount from sale of assets other than inventory	5a			
	b	Less: cost or other basis and sales expenses	5b			
	c	Gain or (loss) from sale of assets other than inventory (Subtract ln 5b from ln 5a) (att sch)			5c	
	6	Special events and activities (complete applicable parts of Schedule G). If any amount is from gaming, check here ► [ ]				
	a	Gross revenue (not including $ ______ of contributions reported on line 1)	6a			
	b	Less: direct expenses other than fundraising expenses	6b			
	c	Net income or (loss) from special events and activities (Subtract line 6b from line 6a)			6c	
	7a	Gross sales of inventory, less returns and allowances	7a			
	b	Less: cost of goods sold	7b			
	c	Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)			7c	
	8	Other revenue (describe ►)			8	
	9	**Total revenue** (add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8) ►			9	343,913.
Expenses	10	Grants and similar amounts paid (attach schedule)			10	
	11	Benefits paid to or for members			11	
	12	Salaries, other compensation, and employee benefits			12	338,333.
	13	Professional fees and other payments to independent contractors			13	16,788.
	14	Occupancy, rent, utilities, and maintenance			14	29,901.
	15	Printing, publications, postage, and shipping			15	7,787.
	16	Other expenses (describe ► See Statement 1)			16	25,771.
	17	**Total expenses** (add lines 10 through 16) ►			17	418,580.
Net Assets	18	Excess or (deficit) for the year (Subtract line 17 from line 9)			18	-74,667.
	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)			19	202,280.
	20	Other changes in net assets or fund balances (attach explanation)			20	
	21	Net assets or fund balances at end of year. Combine lines 18 through 20 ►			21	127,613.

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Part II — Balance Sheets. If Total assets on line 25, column (B) are $2,500,000 or more, file Form 990 instead of Form 990-EZ

(See the instructions for Part II.)

		(A) Beginning of year		(B) End of year
22	Cash, savings, and investments	53,826.	22	28,925.
23	Land and buildings		23	
24	Other assets (describe ► See Statement 2)	154,142.	24	162,996.
25	**Total assets**	207,968.	25	191,921.
26	**Total liabilities** (describe ► See Statement 3)	5,688.	26	64,308.
27	**Net assets or fund balances** (line 27 of column (B) **must** agree with line 21)	202,280.	27	127,613.

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

What is the organization's primary exempt purpose? See Statement 4

Describe what was achieved in carrying out the organization's exempt purposes. In a clear and concise manner, describe the services provided, the number of persons benefited, or other relevant information for each program title.

			Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, optional for others.)
28	See Statement 5 (Grants $) If this amount includes foreign grants, check here ► ☐	28a	290,589.
29	See Statement 6 (Grants $) If this amount includes foreign grants, check here ► ☐	29a	
30	See Statement 7 (Grants $) If this amount includes foreign grants, check here ► ☐	30a	
31	Other program services (attach schedule). See Statement 8 (Grants $) If this amount includes foreign grants, check here ► ☐	31a	25,036.
32	**Total program service expenses** (add lines 28a through 31a). ►	32	315,625.

Part IV **List of Officers, Directors, Trustees, and Key Employees.** (List each one even if not compensated See the instrs)

(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-.)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
See Statement 9		58,705.	3,839.	0.

Part V **Other Information** (Note the statement requirement in General Instruction V.)

			Yes	No
33	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity	33		X
34	Were any changes made to the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes	34	X	
35	If the organization had income from business activities, such as those reported on lines 2, 6a, and 7a (among others), but not reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T.			
a	Did the organization have unrelated business gross income of $1,000 or more or 6033(e) notice, reporting, and proxy tax requirements?	35a		X
b	If 'Yes,' has it filed a tax return on **Form 990-T** for this year?	35b		
36	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' complete applicable parts of Schedule N	36		X
37a	Enter amount of political expenditures, direct or indirect, as described in the instructions ► 37a 0.			
b	Did the organization file **Form 1120-POL** for this year?	37b		X
38a	Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee **or** were any such loans made in a prior year and still unpaid at the start of the period covered by this return?	38a		X
b	If 'Yes,' complete Schedule L, Part II and enter the total amount involved 38b N/A			
39	501(c)(7) organizations Enter:			
a	Initiation fees and capital contributions included on line 9 39a N/A			
b	Gross receipts, included on line 9, for public use of club facilities 39b N/A			
40a	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 (4) organizations. 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,' complete Schedule L, Part I	40b		X
c	Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ► 0.			
d	Enter amount of tax on line 40c 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? If 'Yes,' complete Form 8886-T	40e		X
41	List the states with which a copy of this return is filed ► MN			

42a The books are in care of ► JENNIFER McDONALD Telephone no. ► 612-746-0780
Located at ► 1201 MARQUETTE AVE MINNEAPOLIS MN ZIP + 4 ► 55403

			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)? If 'Yes,' enter the name of the foreign country. ►	42b		X
	See the instructions for exceptions and filing requirements for **Form TD F 90-22.1, Report of a Foreign Bank and Financial Accounts.**			
c	At any time during the calendar year, did the organization maintain an office outside of the U.S ? If 'Yes,' enter the name of the foreign country. ►	42c		X

43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of **Form 1041** – Check here ► ☐ N/A
and enter the amount of tax-exempt interest received or accrued during the tax year ► 43 N/A

			Yes	No
44	Did the organization maintain any donor advised funds? If 'Yes,' Form 990 must be completed instead of Form 990-EZ	44		X
45	Is any related organization a controlled entity of the organization within the meaning of section 512(b)(13)? If 'Yes,' Form 990 must be completed instead of Form 990-EZ	45		X

Part VI **Section 501(c)(3) organizations only.** All section 501(c)(3) organizations must answer questions 46-49 and complete the tables for lines 50 and 51.

See Statement 10

		Yes	No
46 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	46		X
47 Did the organization engage in lobbying activities? If 'Yes,' complete Schedule C, Part II	47	X	
48 Is the organization operating a school as described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E.	48		X
49a Did the organization make any transfers to an exempt non-charitable related organization?	49a		X
b If 'Yes,' was the related organization(s) a section 527 organization?	49b		

50 Complete this table for the five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than $100,000 of compensation from the organization. If there is none, enter 'None.'

(a) Name and address of each employee paid more than $100,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
None				
Total number of other employees paid over $100,000 ►				

51 Complete this table for the five highest compensated independent contractors who each received more than $100,000 of compensation from the organization. If there is none, enter 'None.'

(a) Name and address of each independent contractor paid more than $100,000	(b) Type of service	(c) Compensation
None		
Total number of other independent contractors receiving over $100,000 ►		

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.

► Jennifer McDonald — Signature of officer — Date 3/15/10

► JENNIFER McDONALD Executive Director
Type or print name and title.

Paid Preparer's Use Only

Preparer's signature ► GERALD L. ZEMBAL	Date 3/10/10	Check if self-employed ► ☐ Preparer's Identifying Number (See instructions) N/A
Firm's name (or yours if self-employed), address, and ZIP + 4 ► OBERMEIER & ASSOCIATES, P.A. 14300 NICOLLET CT STE 302 BURNSVILLE, MN 55306-8330		EIN ► N/A Phone no ► 952-898-2011

May the IRS discuss this return with the preparer shown above? See instructions. ► [X] Yes [ ] No

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

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

Name of the organization: RESTORATIVE JUSTICE COMMUNITY ACTION

Employer identification number: 87-0749129

Part I **Reason for Public Charity Status** (All organizations must complete this part.) (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 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 [X] 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 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 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?

		Yes	No
(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 supported organization?	11g (i)		
(ii) a family member of a person described in (i) above?	11g (ii)		
(iii) a 35% controlled entity of a person described in (i) or (ii) above?	11g (iii)		

h Provide the following information about the organizations the organization supports.

(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									

BAA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule **A** (Form 990 or 990-EZ) 2008

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Part II Support Schedule for Organizations Described in Sections 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)

Section A. 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 'unusual grants')		305,128.	387,163.	304,543.	343,640.	1,340,474.
2 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf						0.
3 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						0.
4 **Total.** Add lines 1-3	0.	305,128.	387,163.	304,543.	343,640.	1,340,474.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						109,882.
6 **Public support.** Subtract line 5 from line 4						1,230,592.

Section B. 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	0.	305,128.	387,163.	304,543.	343,640.	1,340,474.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income form similar sources				631.	273.	904.
9 Net income form unrelated business activities, whether or not the business is regularly carried on						0.
10 Other income Do not include gain or loss form the sale of capital assets (Explain in Part IV) See Part IV.				726.		726.
11 **Total support.** Add lines 7 through 10						1,342,104.

12 Gross receipts from related activities, etc (see instructions) . . . 12 | 0.

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► [X]

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f) . . . 14 | %

15 Public support percentage for 2007 Schedule A, Part IV-A, line 26f . . . 15 | %

16a **33-1/3 support test – 2008.** If the organization did not check the box on line 13, and the 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 support test – 2007.** If the organization did not check a 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 a box on line, 13, 16a, 16b, 17a, or 17b, check this box and see instructions ► [ ]

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I)

Section A. Public Support

Calendar year (or fiscal yr 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 'unusual grants')						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in a activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge.						
6 **Total.** Add lines 1-5						
7a Amounts included on lines 1, 2, 3 received from disqualified persons						
b Amounts 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						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal yr beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income form similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included inline 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 **Total support.** (add lns 9, 10c, 11, and 12.)						

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

Section C. 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 from 2007 Schedule A, Part IV-A, line 27g	16	%

Section D. 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 support 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 support tests – 2007.** If the organization did not check a box on line 14 or 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 ► ☐

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

► To be completed by organizations described below.

► Attach to Form 990 or Form 990-EZ.

OMB No 1545-0047

2008

Open to Public Inspection

If the organization answered 'Yes,' to Form 990, Part IV, line 3, or Form 990-EZ, Part VI, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: complete Part I-A only.

If the organization answered 'Yes,' to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered 'Yes,' to Form 990, Part IV, line 5 (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization	Employer identification number
RESTORATIVE JUSTICE COMMUNITY ACTION	87-0749129

Part I-A To be completed by all organizations exempt under section 501(c) and section 527 organizations. See the instructions for Schedule C for details.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.

2 Political expenditures ► $

3 Volunteer hours

Part I-B To be completed by all organizations exempt under section 501(c)(3). See the instructions for Schedule C for details.

1 Enter the amount of any excise tax incurred by the organization under section 4955 ► $

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ► $

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☒ No

4a Was a correction made? ☐ Yes ☐ No

b If 'Yes,' describe in Part IV.

Part I-C To be completed by all organizations exempt under section 501(c), except section 501(c)(3). See the instructions for Schedule C for details.

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ► $

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ► $

3 Total of direct and indirect exempt function expenditures Add lines 1 and 2 and enter here and on Form 1120-POL, line 17b. ► $

4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No

5 State the names, addresses and employer identification number (EIN) of all section 527 political organizations to which payments were made. Enter the amount paid and indicate if the amount was paid from the filing organization's funds or were political contributions received and promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's own internal funds. If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-

Part II-A **To be completed by organizations exempt under section 501(c)(3) that filed Form 5768 (election under section 501(h)).** See the instructions for Schedule C for details.

A Check ► ☐ if the filing organization belongs to an affiliated group.

B Check ► ☐ if the filing organization checked box A and 'limited control' provisions apply.

Limits on Lobbying Expenditures — (The term 'expenditures' means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals
1 a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount Enter the amount from the following table in both columns.		

If the amount on line 1e, column (a) or (b) is.	**The lobbying nontaxable amount is**
Not over $500,000	20% of the amount on line 1e
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.

	(a)	(b)
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a. Enter -0- if line g is more than line a		
i Subtract line 1f from line 1c Enter -0- if line f is more than line c		

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ Yes ☐ No

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 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column (e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B **To be completed by organizations exempt under section 501(c)(3) that have NOT filed Form 5768 (election under section 501(h)).** See the instructions for Schedule C for details.

	(a) Yes	(a) No	(b) Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?	X		
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	X		
c Media advertisements?		X	
d Mailings to members, legislators, or the public?	X		150.
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?	X		9,769.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means?	X		498.
i Other activities? If 'Yes,' describe in Part IV		X	
j Total lines 1c through 1i			10,417.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If 'Yes,' enter the amount of any tax incurred under section 4912			
c If 'Yes,' enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A **To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).** See the instructions for Schedule C for details.

		Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1		
2 Did the organization make only in-house lobbying expenditures of $2,000 or less?	2		
3 Did the organization agree to carryover lobbying and political expenditures from the prior year?	3		

Part III-B **To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, questions 1 and 2 are answered 'No' OR if Part III-A, question 3 is answered 'Yes.'** See Schedule C Instructions for details.

1 Dues, assessments and similar amounts from members	1	
2 Section 162(e) non-deductible lobbying and political expenditures **(do not include amounts of political expenses for which the section 527(f) tax was paid).**		
a Current year	2a	
b Carryover from last year	2b	
c Total	2c	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5 Taxable amount of lobbying and political expenditures (line 2c total minus 3 and 4)	5	

Part IV **Supplemental Information**

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; and Part II-B, line 1i. Also, complete this part for any additional information.

Statement 1
Form 990-EZ, Part I, Line 16
Other Expenses

Amortization	$ 1,333.
Depreciation	892.
DEVELOPMENT & TRAINING	2,796.
EQUIPMENT RENTAL	4,056.
MARKETING & PUBLICITY	2,394.
MISCELLANEOUS	2,356.
Office Expenses	6,065.
TELEPHONE	4,335.
Travel	1,544.
Total	$ 25,771.

Statement 2
Form 990-EZ, Part II, Line 24
Other Assets

	Beginning	Ending
Furniture and Fixtures	$ 2,594.	$ 2,076.
Machinery and Equipment	932.	558.
Pledges and Grants Receivable	143,575.	156,702.
Prepaid Expenses and Deferred Charges	5,374.	3,326.
WEB-BASED REG SERVICES	1,667.	334.
Total	$ 154,142.	$ 162,996.

Statement 3
Form 990-EZ, Part II, Line 26
Total Liabilities

	Beginning	Ending
Accounts Payable and Accrued Expenses	$ 5,688.	$ 24,308.
Secured Mortgages and Notes Payable	0.	40,000.
Total	$ 5,688.	$ 64,308.

Statement 4
Form 990-EZ, Part III
Organization's Primary Exempt Purpose

TO IMPROVE COMMUNITY LIVABILITY THROUGH RESTORATIVE JUSTICE PRACTICES.

Statement 5
Form 990-EZ, Part III, Line 28
Statement of Program Service Accomplishments

1) Community Conferencing Program
From July 1, 2008 to June 30, 2009, Restorative Justice Community Action(RJCA)arranged community conferences to address 245 adult(18 and over) cases-holding those who committed livability crimes(referred participants)

Statement 5 (continued)
Form 990-EZ, Part III, Line 28
Statement of Program Service Accomplishments

accountable for the impact of their behavior, and enabling them to make amends and repair the harm to the community.

The offenses addressed included: consumption of alcohol by a minor(38%),public urination(23%),consumption of alcohol in public/open bottle(9%),noisy assembly(4%),disorderly conduct(4%),possess drug paraphernalia(3%),loiter with intent to buy/sell narcotics(3%),possession of alcohol by a minor(2%),small amount of marijuana (2%), liquor in park (2%), annoying amplifiers (1%),dog leashing(1%),narcotics violation(<1%),littering(<1%),and soliciting prostitution(<1%).

Of the 245 people scheduled to participate,211 attended their scheduled conferences (86% attendance). The remaining cases were returned to the referring agency for further action due to the referred participant's failure to attend as scheduled.

RJCA engaged 155 community members and 24 supporters in these community conferences to address these incidents that affected them and/or their communities. Together, the community members and referred participants discussed the impact of the behaviors that resulted in the charges, and developed reparative agreements that included volunteer service(1,303 hours in FY09) in the communities where the crimes occurred, both verbal and written apologies(232 in FY09), donations($1,490 and 36 in-kind donations of food/clothes in FY09), and personal development(73 hours in FY09). Approximately 86% of the referred participants successfully completed their agreements.

As of June 30, 2009, RJCA had addressed a total of 2,300 cases since the program's inception in September 1997.

In this fiscal year 2009, Restorative Justice Community Action(RJCA) nearly tripled its number of participating neighborhoods-increasing from 18 to 50, when, on January 1, 2009, RJCA began taking cases throughout all of the North and Northeast Minneapolis neighborhoods, and in the South Minneapolis neighborhoods comprising "Uptown"(including those along Hennepin and Lyndale Avenues and Lake Street). This geographic expansion is just one component of RJCA's current strategic plan(February 2008-January 2011) to make its services available to all communities in Minneapolis with an unmet need. The expansion this fiscal year was based on the demonstrated, unmet need and strong community interest identified in RJCA's 2007 Needs Assessment Survey.

Through community organizing in Minneapolis, RJCA continues to identify people impacted by livability crime who are interested in addressing the behavior that resulted in the crime through restorative justice practices. In FY09 RJCA identified and scheduled 39 new community members to participate in conferences and 96 observers who were interested in learning more about restorative justice and RJCA's work in Minneapolis.

RJCA partnered with a local restorative justice trainer to train twelve new volunteer facilitators and three new staff members at its second "in-house" Facilitator Training in October, 2008. Four new board members joined RJCA in this fiscal year. Volunteers contributed 1,793 hours in FY09.

This fiscal year 2009, RJCA partnered with Amicus to organize and host a series of community forums entitled "Transforming Justice: Community Dialogues on Restorative Practices." which engaged about 100 people in total(between 20 to 50 at each forum).
The purpose of the series was to spur dialogue and provide education about the criminal justice system and restorative justice(with a primary focus on livability crimes-those that harm and debilitate communities), and to enhance the potential

Statement 5 (continued)
Form 990-EZ, Part III, Line 28
Statement of Program Service Accomplishments

for greater networking and engaged citizenship in Minneapolis.

Statement 6
Form 990-EZ, Part III, Line 29
Statement of Program Service Accomplishments

Also during this fiscal year, RJCA initiated several new outreach efforts, including Community information Sessions, Community Advocates and a Speakers' Bureau. The first Community information Sessions was held the 4th quarter of FY09 in the Loring Park neighborhood and resulted in not less than six new,active,community members who have engaged with RJCA's program as a result of attending this session.

The first training sessions for the newly established Speakers' Bureau resulted in five volunteer speakers.

RJCA staff contacts community organizations in its participating neighborhoods quarterly to inquire about potential community service opportunities that RJCA referred participants could get involved with to help meet local needs. Currently, there are 14 community-directed service projects identified in the 1st Precinct/Downtown area;20 service projects in the 2nd Precinct/Northeast & Southeast Area;12 service projects in the 4th Precinct/North Minneapolis Area;and 9 service projects in the 5th Precinct/South Minneapolis Area. RJCA also contacted all of its service sites to inquire if they would be willing and able to accommodate youth participants for its Youth Pilot-ten of its current service sites(all precincts combined) are also on RJCA's Youth list.

Statement 7
Form 990-EZ, Part III, Line 30
Statement of Program Service Accomplishments

Staff also contacted new organizations to identify more service opportunities and resources for youth participants-adding four more service sites, and identifying 13 organizations providing resources for youth, 5 of the newly contacted organizations have also been added to the adult lists.

RJCA continues to collaborate with other restorative justice programs serving Minneapolis. Its Executive Director is actively involved with the Minnesota Restorative Services Coalition(MRSC).

RJCA continues to work closely with other restorative justice service providers to identify opportunities for increasing their combined capacities to provide restorative services in the City of Minneapolis. Current collaborative relationships include, but are not limited to: Midtown Community Restorative Justice(MCRJ); Center for Multicultural Mediation and Restorative Justice(CMMRJ); Seward Longfellow Restorative Justice Partnership(SLRJP); Black, Indian, hispanic, Asian (BIHA) Women in Action; Exploring Justice, and MnCoSA. RJCA submitted a joint proposal on behalf of and serves as the Contractor for CMMRJ and BIHA on a contract for funding with the Minneapolis City Attorney's Office. RJCA staff is also actively involved with the Minnesota Restorative Services Coalition(MRSC).

In FY09, RJCA, together with MCRJ and SLRJP, reconvened the Hennepin County

Statement 7 (continued)
Form 990-EZ, Part III, Line 30
Statement of Program Service Accomplishments

Restorative Justice Network for those providing or interested in restorative services in Hennepin County. RJCA convened quarterly meetings for Network members to discuss restorative services available, build collaborations and partnerships, and identify ways to work together to increase our combined capacities. Additionally, RJCA partnered with MCRJ, SLRJP, the Legal Rights Center(LRC), and CMMRJ to establish a single referral system to restorative justice for the Minneapolis Police Department's Juvenile Unit-dramatically simplifying referrals for the police and increasing the number of cases diverted to restorative justice.

Statement 8
Form 990-EZ, Part III, Line 31
Statement of Program Service Accomplishments

Description	Grants	Program Service Expenses
2) Youth Pilot Program During this fiscal year, Restorative Justice Community Action(RJCA), in response to its system partners, completed the development of, and implemented, a pilot in collaboration with local organizations and system partners in order to test the feasibility of expanding its program to address crimes committed by youth under 18. We trained existing volunteer facilitators to facilitate conferences with youth, and engaged a volunteer who is designing the evaluation process. RJCA's original goal was to conference 12-15 youth referred participants over a nine month period. However, due to barriers to securing referrals, RJCA had to re-group and develop a new referral system, which took several months. RJCA's revised goal is to conference 12-15 youth, ideally two per month, but without a limit on the length of time it takes to engage and conference the 12-15 youth. We launched our new referral system in the final quarter of FY09. In order to increase our capacity to manage youth cases and coordinate youth conferences, we hired a work-study law student as a Youth Coordinator.	0.	14,619.
Includes Foreign Grants: No		
3) Advocacy RJCA worked to secure support for legislation that would make a referral to restorative justice a standard part of the process for handling low level offenses. This legislation has the potential of increasing the capacity of restorative justice programs by reducing the amount of resources currently invested in establishing and maintaining referral systems, and in promoting restorative justice to prospective referred participants. The legislature passed new legislation compelling the County Attorneys to refer first time juvenile offenders to a restorative justice program, if available. Additionally, RJCA advocated for funding for restorative justice programs in the City, County and State budgets for 2009 and the 2009-2011 biennium. The City increased funding		

Statement 8 (continued)
Form 990-EZ, Part III, Line 31
Statement of Program Service Accomplishments

Description	0. Grants	Program Service Expenses
for restorative justice by 2.7%, the County restored funding at a 20% reduction, and the state completely cut funding for community based restorative justice programs.		10,417.
Includes Foreign Grants: No		
Total	$ 0.	$ 25,036.

Statement 9
Form 990-EZ, Part IV
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen-sation	Contri-bution to EBP & DC	Expense Account/ Other
SHEILA MILLER 1201 MARQUETTE AVE SUITE 330 MINNEAPOLIS, MN 55403	Director 1.00	$ 0.	$ 0.	$ 0.
CYNTHIA PROSEK 1201 MARQUETTE AVE SUITE 330 MINNEAPOLIS, MN 55403	Chair 1.00	0.	0.	0.
JIM WEAVER 1201 MARQUETTE AVE SUITE 330 MINNEAPOLIS, MN 55403	Director 1.00	0.	0.	0.
KIMBERLY SPATES 1201 MARQUETTE AVE SUITE 330 MINNEAPOLIS, MN 55403	Secretary 1.00	0.	0.	0.
MARIANA SHULSTAD 1201 MARQUETTE AVE SUITE 330 MINNEAPOLIS, MN 55403	Treasurer 1.00	0.	0.	0.
JERRY CLARK 1201 MARQUETTE AVE SUITE 330 MINNEAPOLIS, MN 55403	VICE CHAIR 1.00	0.	0.	0.
TIM KINGSLEY 1201 MARQUETTE AVE SUITE 330 MINNEAPOLIS, MN 55403	Director 1.00	0.	0.	0.
MIKE STEWART 1201 MARQUETTE AVE SUITE 330 MINNEAPOLIS, MN 55403	Director 1.00	0.	0.	0.

Statement 9 (continued)
Form 990-EZ, Part IV
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compensation	Contribution to EBP & DC	Expense Account/ Other
NEKIMA LEVY-POUNDS 1201 MARQUETTE AVE SUITE 330 MINNEAPOLIS, MN 55403	Director 1.00	$ 0.	$ 0.	$ 0.
SALLY WINGERT 1201 MARQUETTE AVE SUITE 330 MINNEAPOLIS, MN 55403	Director 1.00	0.	0.	0.
FRED REUNING 1201 MARQUETTE AVE SUITE 330 MINNEAPOLIS, MN 55403	Director 1.00	0.	0.	0.
JAY HEFFERN 1201 MARQUETTE AVE SUITE 330 MINNEAPOLIS, MN 55403	Director 1.00	0.	0.	0.
JENNIFER MCDONALD 1201 MARQUETTE AVE SUITE 330 MINNEAPOLIS, MN 55403	Executive Direc 40.00	58,705.	3,839.	0.
	Total	$ 58,705.	$ 3,839.	$ 0.

Statement 10
Form 990-EZ, Part VI
Regarding Transfers Associated with Personal Benefit Contracts

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

PART V-LINE 34.
AMENDED ARTICLES OF INCORPORATION EFFECTIVE JULY 1,2009, TO ELIMINATE THE " INC. " IN THE CORPORATIONS LEGAL NAME

RESTORATIVE JUSTICE COMMUNITY ACTION
(A Nonprofit Corporation)

AUDITED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2009 AND 2008

CONTENTS

PAGE

OBERMEIER & ASSOCIATES, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Restorative Justice Community Action
Minneapolis, Minnesota

We have audited the accompanying statements of financial position of Restorative Justice Community Action, (a nonprofit corporation) as of June 30, 2009 and 2008, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of Restorative Justice Community Action's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Restorative Justice Community Action, as of June 30, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Obermeier & Associates, P.A.
Certified Public Accountants

December 17, 2009

14300 NICOLLET COURT – SUITE 302 • BURNSVILLE, MINNESOTA 55306 • (952) 898-2011 • FAX (952) 898-2353
WWW.OBERMEIERCPAS.COM

RESTORATIVE JUSTICE COMMUNITY ACTION
STATEMENTS OF FINANCIAL POSITION

	June 30	
	2009	2008
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 28,926	$ 53,826
Accounts receivable	83,813	52,125
Promises to give - current amount	72,889	45,000
Prepaid expenses	3,326	5,374
Total Current Assets	188,954	156,325
PROPERTY AND EQUIPMENT, at cost, less accumulated depreciation of $6,535 and $4,310 respectively	2,967	5,192
OTHER ASSETS		
Promises to give - non-current amount	-	46,450
	$ 191,921	$ 207,967
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Loan payable - NAF	$ 40,000	
Accounts payable	13,850	$ 542
Accrued expenses	10,458	5,145
Total Current Liabilities	64,308	5,687
NET ASSETS		
Unrestricted	54,724	105,830
Temporarily restricted	72,889	96,450
Total Net Assets	127,613	202,280
	$ 191,921	$ 207,967

RESTORATIVE JUSTICE COMMUNITY ACTION
STATEMENTS OF ACTIVITIES

	Year Ended June 30, 2009			Year Ended June 30, 2008		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE						
Foundations and corporations	$ 87,551	$ 22,889	$ 110,440		$ 11,995	$ 11,995
Government grants	208,430		208,430	$ 219,351		219,351
Other contributions	17,323		17,323	58,016		58,016
Program service fees	7,447		7,447	15,181		15,181
Miscellaneous income	273		273	1,357		1,357
Support and Revenue	321,024	22,889	343,913	293,905	11,995	305,900
NET ASSETS RELEASED FROM RESTRICTIONS	46,450	(46,450)	-	52,000	(52,000)	-
Total Support and Revenue	367,474	(23,561)	343,913	345,905	(40,005)	305,900
EXPENSES						
Program services	315,625	-	315,625	344,526	-	344,526
Support services.						
Management and administrative	69,860	-	69,860	8,805	-	8,805
Fund raising	33,095	-	33,095	16,550	-	16,550
Total Support Services	102,955	-	102,955	25,355	-	25,355
Total Expenses	418,580		418,580	369,881	-	369,881
CHANGE IN NET ASSETS	(51,106)	(23,561)	(74,667)	(23,976)	(40,005)	(63,981)
NET ASSETS, BEGINNING OF YEAR	105,830	96,450	202,280	129,806	136,455	266,261
NET ASSETS, END OF YEAR	$ 54,724	$ 72,889	$ 127,613	$ 105,830	$ 96,450	$ 202,280

SEE NOTES TO FINANCIAL STATEMENTS

RESTORATIVE JUSTICE COMMUNITY ACTION
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2009

	Program Services	Management & Administrative	Fund Raising	Total
Salaries and wages	$ 211,397	$ 49,288	$ 23,454	$ 284,139
Fringe benefits	20,569	5,277	492	26,338
Payroll taxes	22,561	3,610	1,685	27,856
Occupancy	21,977	5,369	2,555	29,901
Telephone	3,195	772	368	4,335
Printing	890	240	2,945	4,075
Equipment rental & maintenance	3,473	430	153	4,056
Development & training	2,307	311	178	2,796
Professional services	13,715	2,488	585	16,788
Postage & delivery	2,365	879	468	3,712
Depreciation	2,225	-	-	2,225
Office supplies	5,701	314	50	6,065
Miscellaneous	3,857	783	110	4,750
Travel	1,393	99	52	1,544
	$ 315,625	$ 69,860	$ 33,095	$ 418,580

SEE NOTES TO FINANCIAL STATEMENTS

RESTORATIVE JUSTICE COMMUNITY ACTION
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2008

	Program Services	Management & Administrative	Fund Raising	Total
Salaries and wages	$ 235,038	$ 2,421	$ 12,498	$ 249,957
Fringe benefits	17,110	950	950	19,010
Payroll taxes	17,745	986	986	19,717
Occupancy	25,486	1,416	1,416	28,318
Telephone	4,441	247	247	4,935
Printing	2,409	127	-	2,536
Equipment rental & maintenance	2,547	142	142	2,831
Development & training	4,324	136	136	4,596
Professional services	22,719	1,196	-	23,915
Postage & delivery	3,413	180	-	3,593
Depreciation	2,114	111	-	2,225
Office supplies	4,892	175	175	5,242
Marketing & publicity	943	-	-	943
Miscellaneous	1,011	665	-	1,676
Travel	334	53	-	387
	$ 344,526	$ 8,805	$ 16,550	$ 369,881

SEE NOTES TO FINANCIAL STATEMENTS

RESTORATIVE JUSTICE COMMUNITY ACTION
STATEMENTS OF CASH FLOWS

	Year Ended June 30	
	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (74,667)	$ (63,981)
Adjustments to reconcile change in net assets to net cash provided by operating activites		
Depreciation expense	2,225	2,225
(Increase) decrease in current assets:		
Accounts receivable	(31,688)	(5,880)
Promises to give	18,561	45,005
Prepaid expenses	2,048	(1,074)
Increase (decrease) in current liabilities		
Accounts payable	13,308	(661)
Accrued expenses	5,313	1,575
Loan payable - NAF	40,000	-
NET CASH FLOWS USED BY OPERATING ACTIVITIES AND DECREASE IN CASH AND CASH EQUIVALENTS	(24,900)	(22,791)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	53,826	76,617
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 28,926	$ 53,826

SEE NOTES TO FINANCIAL STATEMENTS

RESTORATIVE JUSTICE COMMUNITY ACTION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008

A. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES:

NATURE OF ACTIVITIES

Restorative Justice Community Action (RJCA) started as the Central City Neighborhoods Partnership (CCNP) Restorative Justice Program in 1997. It was sponsored by Stevens Square Community Organization on behalf of the original CCNP neighborhoods: Stevens Square, Downtown (East and West), Loring Park and Elliot Park. After expanding from four neighborhoods to ten, in 2005 the program incorporated to expand organizational capacity in favor of continued growth. RJCA's community conferencing program has handled over 2,100 livability crimes in Minneapolis' inner-city neighborhoods, with outstanding results.

The mission of the Restorative Justice Community Action (the Organization) is to improve community livability through restorative justice practices.

Restorative justice is about repairing the harm caused by crime or conflict. Face-to-face models allow the people affected to meet and decide outcomes together. In contrast to the traditional system of justice, which is punitive, restorative justice aims to mend what was broken through:

- Victims and community having a voice in the process.
- Offenders taking steps to repair the harm they have caused.
- Re-integration of offenders.
- Strengthening relationships.

FINANCIAL STATEMENT PRESENTATION

In accordance with the requirements of Statement of Financial Accounting Standards (SFAS) No. 117 *"Financial Statements of Not-For-Profit Organizations,"* the financial statements of the Organization presents information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Accordingly, the Organization's net assets and changes thereto are classified and reported as follows:

Unrestricted Net Assets – This classification contains net assets that the Board of Directors has discretionary control over.

Temporarily Restricted Net Assets – Includes net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization with the passage of time.

RESTORATIVE JUSTICE COMMUNITY ACTION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008

A. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued):

ACCOUNTING METHOD

The Organization uses the accrual method of accounting. In accordance with the requirements of Statement of Financial Accounting Standards (SFAS) No. 116, "Accounting for Contributions received and Contributions made," the Organization recognizes contributions as revenue in the period pledged and recognizes expenses for goods and services as incurred.

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. Restricted contributions whose restrictions are met in the same reporting period are recorded as restricted support and then released from restriction. The Organization has no permanently restricted net assets.

CASH EQUIVALENTS

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents

RECEIVABLES

The Organization uses the direct write-off method for accounts receivable deemed uncollectible and no allowance for doubtful accounts has been established. It is the opinion of management that all accounts and grants receivable at June 30, 2009 are collectible.

EQUIPMENT

Equipment, which consists of office equipment and furniture, is recorded at cost and is depreciated over its estimated useful life of 5 - 7 years using the straight-line method of depreciation.

CONCENTRATION OF CREDIT RISK

The Organization invests its excess cash deposits with local financial institutions. Deposits periodically exceed federally insured limits. The Organization has not experienced losses related to these deposits.

RESTORATIVE JUSTICE COMMUNITY ACTION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008

A. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued):

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

EXPENSE ALLOCATION

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based upon ratios determined by management

SUBSEQUENT EVENTS

In preparing these financial statements, RJCA has evaluated events and transactions for potential recognition or disclosure through December 17, 2009, the date the financial statements were available to be issued.

B. RESTRICTION ON ASSETS:

Support received with donor stipulations that limits its use is included in temporarily restricted net assets until expended for program purposes, at which time, it is released from restriction and included in unrestricted net assets. At June 30, 2009, temporarily restricted net assets are available for the following projects:

Project	Amount
Expand community conferencing in North Minneapolis	$50,000
Other	22,889
	$72,889

C. COMMITMENTS AND CONTINGENCIES:

CONCENTRATIONS

The Organization provides human advocacy services to the community and thus depends on many individuals, the government and non-governmental entities for continued support. Should the Organization not be able to provide the services expected by its individual beneficiaries or should the government change the non-profit status of the Organization, this could result in a significant impact on the operation of the Organization.

RESTORATIVE JUSTICE COMMUNITY ACTION
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008

C. COMMITMENTS AND CONTINGENCIES (continued):

LEASING

The Organization has a lease agreement for its office space through October 31, 2011. The agreement calls for a monthly base rental payment of $1,276. The agreement also calls for operating costs to be allocated based on certain formulas. Total rent expense aggregated $29,901 and $28,318, respectively, for the years ended June 30, 2009 and 2008.

Future minimum lease payments under operating leases as of June 30, 2009 are:

Year Ending June 30	
2010	$ 15,309
2011	15,309
2012	5,130

D. PROMISES TO GIVE:

Unconditional promises to give are recorded as receivables and revenue when received The Organization distinguishes between contributions received for each net asset category in accordance with donor imposed restrictions. Promises to give are recorded after being discounted to the anticipated net present value of the future cash flows.

Promises to give are expected to be realized in the following periods:

	June 30	
	2009	2008
In one year or less	$ 50,000	$ 45,000
Between one year and three	-	50,000
	50,000	95,000
Less, present value discount	-	(3,550)
	$ 50,000	$ 91,450

E. TAX STATUS:

The Organization is a qualified tax-exempt nonprofit organization under Section 501(c)(3) of the Internal Revenue Code and similar State provisions and is therefore exempt from Federal and State income taxes.

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box ► [X]

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1).

Part II **Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed).

Type or print	Name of Exempt Organization RESTORATIVE JUSTICE COMMUNITY ACTION	**Employer identification number** 87-0749129
File by the extended due date for filing the return See instructions	Number, street, and room or suite number. If a P O box, see instructions. OBERMEIER & ASSOCIATES, P.A. 14300 NICOLLET CT STE 302	For IRS use only
	City, town or post office, state, and ZIP code For a foreign address, see instructions BURNSVILLE, MN 55306-8330	

Check type of return to be filed (File a separate application for each return):

[ ] Form 990	[ ] Form 990-PF	[ ] Form 1041-A	[ ] Form 6069
[ ] Form 990-BL	[ ] Form 990-T (section 401(a) or 408(a) trust)	[ ] Form 4720	[ ] Form 8870
[X] Form 990-EZ	[ ] Form 990-T (trust other than above)	[ ] Form 5227	

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in care of ► JENNIFER McDONALD

  Telephone No ► 612-746-0780 FAX No. ►
- If the organization does not have an office or place of business in the United States, check this box ► [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . . . ______ . If this is for the whole group, check this box ► [ ] . If it is for part of the group, check this box . ► [ ] and attach a list with the names and EINs of all members the extension is for

4 I request an additional 3-month extension of time until 5/15 , 20 10

5 For calendar year ____ , or other tax year beginning 7/01 , 20 08 , and ending 6/30 , 20 09 .

6 If this tax year is for less than 12 months, check reason. [ ] Initial return [ ] Final return [ ] Change in accounting period

7 State in detail why you need the extension . . Taxpayer respectfully requests additional time to gather information necessary to file a complete and accurate tax return.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	**8a**	$
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	**8b**	$
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instrs. .	**8c**	$

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ► [signature] Title ► CPA Date ► 2/16/10