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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

2009

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2009 calendar year, or tax year beginning July 1, 2009, and ending June 30, 20 10

B Check if applicable:
☐ Address change
☐ Name change
☐ Initial return
☐ Terminated
☐ Amended return
☐ Application pending

C Name of organization North Dakota State University Development Fndn
 Doing Business As NDSU Development Foundation/Alumni Association
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
1241 University Dr N
 City or town, state or country, and ZIP + 4
Fargo, ND 58102-2524

D Employer identification number
23 7120898

E Telephone number
(701) 231-6800

G Gross receipts \$ 48,078,445

F Name and address of principal officer
James C. Miller, Exec. Director, same as C above

H(a) Is this a group return for affiliates? ☐ Yes ☒ No
H(b) Are all affiliates included? ☐ Yes ☐ No
 If "No," attach a list (see instructions)
H(c) Group exemption number ▶

I Tax-exempt status ☒ 501(c) (c) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ www.ndsufoundation.com

K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1971

M State of legal domicile ND

Part I Summary

1 Briefly describe the organization's mission or most significant activities: to advance education, research and service at North Dakota State University; to work with faculty, staff, students, alumni, business and the community to represent common interests; to raise funds, manage assets and administer resources to stimulate continued development at the university.

2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3 Number of voting members of the governing body (Part VI, line 1a) 3 60

4 Number of independent voting members of the governing body (Part VI, line 1b) 4 58

5 Total number of employees (Part V, line 2a) 5 126

6 Total number of volunteers (estimate if necessary) 6 135

7a Total gross unrelated business revenue from INTERNET REVENUE SERVICE 7a 2,296

7b Net unrelated business taxable income from WIRELESS ASSISTANCE 7b 1,110

8 Contributions and grants (Part VIII, line 1h) 10,994,366 10,344,161

9 Program service revenue (Part VIII, line 2g) 386,430 429,500

10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) -396,343 -121,463

11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000

12 Total revenue—add lines 8 through 11 (must equal Part VII, column (A), line 12) 11,667,602 10,563,290

13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) 8,213,184 5,238,212

14 Benefits paid to or for members (Part IX, column (A), line 4) 0 0

15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) 2,628,090 2,614,671

16a Professional fundraising fees (Part IX, column (A), line 11e) 0 0

b Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,470,722 1,130,709

17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) 12,311,996 8,983,592

18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) -644,394 1,579,698

19 Revenue less expenses. Subtract line 18 from line 12 112,855,470 124,543,223

20 Total assets (Part X, line 16) 146,498,165 155,420,024

21 Total liabilities (Part X, line 26) 33,642,695 30,876,801

22 Net assets or fund balances. Subtract line 21 from line 20 112,855,470 124,543,223

Part II Signature Block

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.

Sign Here Ronald G. Peterson 6/8/2011
 Signature of officer Date
RONALD G. PETERSON, Associate Executive Director - Finance
 Type or print name and title

Paid Preparer's Use Only Preparer's signature _____ Date _____ Check if self-employed ☐ Preparer's identifying number (see instructions) _____
 Firm's name (or yours if self-employed), address, and ZIP + 4 _____ EIN _____ Phone no _____

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

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

Cat No 11282Y

Form 990 (2009) 24

Part III Statement of Program Service Accomplishments

- 1** Briefly describe the organization's mission:
Creates opportunities to advance education, research and service at NDSU. We work in close collaboration with
faculty, staff, students and alumni, along with business, industry and the community, to best understand and
represent common interests. With the needs of the entire university in mind, we efficiently and effectively raise funds,
manage assets and administer other privately funded resources to stimulate continued development at NDSU.
- 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 501(c)(4) organizations and section 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 \$ 2,380,636 including grants of \$ 0) (Revenue \$ 0)
Scholarships and awards to students enrolled at North Dakota State University

4b (Code: _____) (Expenses \$ 2,857,576 including grants of \$ 0) (Revenue \$ 0)
Grants to North Dakota State University for buildings, equipment, research, lectures, faculty development, supplies,
travel and other departmental needs and activities not funded through state appropriations or student tuition and
fees.

4c (Code: _____) (Expenses \$ 444,545 including grants of \$ 0) (Revenue \$ 122,583)
Alumni records, newsletters and special events such as Homecoming, city outreach visits, alumni awards, student
recruiting and programming and alumni/student exchanges. Sponsor university programs such as Harvest Bowl
and Celebraton of Excellence.

4d Other program services. (Describe in Schedule O)
 (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4e Total program service expenses **▶** 5,682,757

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	☒	☐
2 Is the organization required to complete Schedule B, Schedule of Contributors?	☒	☐
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	☐	☒
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	☐	☒
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	☐	☐
6 Did the organization maintain any donor advised funds or any similar funds or 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	☐	☒
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	☐	☒
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	☒	☐
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	☐	☒
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	☒	☐
11 Is the organization's answer to any of the following questions "Yes"? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	☒	☐
• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	☐	☐
• Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	☐	☐
• Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	☐	☐
• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	☐	☐
• Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	☐	☐
• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? If "Yes," complete Schedule D, Part X	☐	☐
12 Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	☒	☐
12A Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional	☒	☐
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	☐	☒
14a Did the organization maintain an office, employees, or agents outside of the United States?	☐	☒
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Part I	☐	☒
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	☐	☒
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	☐	☒
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I	☐	☒
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	☒	☐
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	☐	☒
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H	☐	☒

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II.</i>	☒	☐
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III.</i>	☐	☒
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J.</i>	☒	☐
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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25.</i>	☒	☐
24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	☐	☒
24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	☐	☒
24d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	☒	☐
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? <i>If "Yes," complete Schedule L, Part I.</i>	☐	☒
25b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I.</i>	☐	☒
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? <i>If "Yes," complete Schedule L, Part II.</i>	☒	☐
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III.</i>	☐	☒
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):	☒	☐
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>	☒	☐
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>	☐	☒
c An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV.</i>	☒	☐
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M.</i>	☒	☐
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M.</i>	☒	☐
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I.</i>	☐	☒
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II.</i>	☐	☒
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I.</i>	☐	☒
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1.</i>	☒	☐
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2.</i>	☒	☐
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2.</i>	☐	☒
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI.</i>	☐	☒
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O.	☒	☐

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable	95	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	0	
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	✓	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	126	
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)	✓	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	✓	
3b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	✓	
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)? 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?		✓
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		✓
5c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		✓
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
7a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	✓	
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	✓	
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		✓
7d	If "Yes," indicate the number of Forms 8282 filed during the year		
7e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		✓
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		✓
7g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		
7h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
9a	Did the organization make any taxable distributions under section 4966?		
9b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
10a	Initiation fees and capital contributions included on Part VIII, line 12		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter:		
11a	Gross income from members or shareholders		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Section A. Governing Body and Management

	Yes	No
1a Enter the number of voting members of the governing body	1a 60	
b Enter the number of voting members that are independent	1b 58	
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	✓
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	✓
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4	✓
5 Did the organization become aware during the year of a material diversion of the organization's assets?	5	✓
6 Does the organization have members or stockholders?	6	✓
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	✓
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	✓
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a ✓	
b Each committee with authority to act on behalf of the governing body?	8b ✓	
9 Is there any officer, director, 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	9a	✓

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Does the organization have local chapters, branches, or affiliates?	10a	✓
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?	10b	
11 Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11	✓
11A Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	12a ✓	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	✓
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	✓
13 Does the organization have a written whistleblower policy?	13 ✓	
14 Does the organization have a written document retention and destruction policy?	14	✓
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 ✓	
b Other officers or key employees of the organization	15b	✓
If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
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	✓
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 ► **None**

18 Section 6104 requires an organization to make its Forms 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.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► **Ronald G. Peterson, 1241 University Dr N, Fargo, ND 58102-2524, (701) 231-6865**

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors
Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid

- List all of the organization's **current** key employees. See instructions for definition of "key employee "

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(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			
DALE O ANDERSON Trustee	.5	✓						0	0	0
SALLY BERRELL Trustee	.5	✓						0	0	0
BARBARA BURGUM Trustee	.5	✓						0	0	0
ROBERT E CHALLEY Trustee	.7	✓						0	0	0
PAUL COSSETTE Trustee	.5	✓						0	0	0
TERRENCE C DAHL Trustee	.5	✓						0	0	0
SPENCER DUIN Trustee	.5	✓						0	0	0
DAVE EKMAN Trustee	.5	✓						0	0	0
LARRY ELLINGSON Trustee	.5	✓						0	0	0
JANE BALE EMISON Trustee	.5	✓						0	0	0
SUSAN FREEMAN Trustee	.5	✓						0	0	0
KRISTI HANSON Trustee	.5	✓						0	0	0
MICHAEL E HANSON Trustee	.5	✓						0	0	0
RICHARD A HANSON Trustee	.5	✓						0	0	0
ROBERT HELLER Trustee	.5	✓						0	0	0
LARRY HOLWEGER Trustee	.5	✓						0	0	0

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(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			
PAUL HORN Trustee	.5	☒						0	0	0
FRANK JENNINGS Trustee/Chair of board	3	☒		☒				0	0	0
NANCY JOHNSON Trustee	.5	☒						0	0	0
BARBARA JONES Trustee	.5	☒						0	0	0
NANCY JOHNSON HORDHEIM Trustee	.5	☒						0	0	0
JOHN R KLAI II Trustee	.5	☒						0	0	0
RICHARD W KLOUBEC Trustee	.7	☒						0	0	0
TERRANCE KRISTENSEN Trustee	.5	☒						0	0	0
RUSSEL J KUZEL Trustee	.5	☒						0	0	0
ROBERT LERVICK Trustee	.5	☒						0	0	0
JANE LILLESTOL Trustee	.5	☒						0	0	0
BRADY LIPP Trustee	.5	☒						0	0	0
THOMAS E LUNDEEN Trustee	.5	☒						0	0	0
1b Total								936,109	0	172,081

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **7**

3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual

	Yes	No
3		☒
4	☒	
5		☒

4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual.

5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization

(A) Name and business address	(B) Description of services	(C) Compensation
T L Stroh, Architects, 8 N 7th St, Fargo, ND 58102	Architect & Constr Mgmt	294,337
Commonfund, 15 Old Danbury Rd, Wilton, CT 06897	Investment Management	114,233

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **2**

Part VIII Statement of Revenue				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c	217,718				
	d Related organizations	1d					
	e Government grants (contributions).	1e	1,097,768				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	9,028,675				
	g Noncash contributions included in lines 1a-1f: \$		2,075,137				
	h Total. Add lines 1a-1f		10,344,161				
Program Service Revenue			Business Code				
	2a Travel program royalties		561500	1,329		1,329	
	b Insurance program royalties		524298	967		967	
	c Fees from gov't agency		561000	427,204	427,204		
	d						
	e						
	f All other program service revenue						
g Total. Add lines 2a-2f			429,500				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			1,384,854			1,384,854
	4 Income from investment of tax-exempt bond proceeds			1,942			1,942
	5 Royalties			285,634			285,634
	6a Gross Rents	(i) Real	(ii) Personal				
		2,911,664					
	b Less: rental expenses						
		3,364,689					
	c Rental income or (loss)						
		-453,025					
	d Net rental income or (loss)						
				-453,025			-453,025
	7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		32,297,321	302,191				
	b Less: cost or other basis and sales expenses						
		33,942,739	165,032				
	c Gain or (loss)						
		-1,645,418	137,159				
d Net gain or (loss)							
			-1,508,259			-1,508,259	
8a Gross income from fundraising events (not including \$ 217,718 of contributions reported on line 1c). See Part IV, line 18							
		92,330					
b Less: direct expenses							
		42,691					
c Net income or (loss) from fundraising events							
			49,639			49,639	
9a Gross income from gaming activities See Part IV, line 19							
b Less: direct expenses							
c Net income or (loss) from gaming activities							
10a Gross sales of inventory, less returns and allowances							
b Less: cost of goods sold							
c Net income or (loss) from sales of inventory							
Miscellaneous Revenue			Business Code				
11a Change in CSV of life insur.		524113	16,980			16,980	
b Alumni Merchandise Sales		453220	10,190			10,190	
c							
d All other revenue		900099	1,674			1,674	
e Total. Add lines 11a-11d			28,844				
12 Total revenue. See instructions.			10,563,290	427,204	2,296	-210,371	

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).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>		(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	5,238,212	5,238,212		
2	Grants and other assistance to individuals in the U.S. See Part IV, line 22	0	0		
3	Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0	0		
4	Benefits paid to or for members	0	0		
5	Compensation of current officers, directors, trustees, and key employees	397,967	0	397,967	0
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0	0	0	0
7	Other salaries and wages	1,605,367	236,811	458,390	910,166
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	141,040	23,083	39,804	78,153
9	Other employee benefits	328,831	43,726	129,176	155,929
10	Payroll taxes	141,466	23,363	46,939	71,164
11	Fees for services (non-employees).				
a	Management	0	0	0	0
b	Legal	25,971	0	25,971	0
c	Accounting	48,419	630	47,789	0
d	Lobbying	0	0	0	0
e	Professional fundraising services See Part IV, line 17	0			0
f	Investment management fees	0	0	0	0
g	Other	0	0	0	0
12	Advertising and promotion	43,900	15,292	4,033	24,575
13	Office expenses	264,923	36,452	154,515	73,956
14	Information technology	74,571	0	74,571	0
15	Royalties	0	0	0	0
16	Occupancy	138,034	0	138,034	0
17	Travel	128,135	16,811	10,724	100,600
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0	0	0	0
19	Conferences, conventions, and meetings	18,947	1,917	16,205	825
20	Interest	92,002	0	92,002	0
21	Payments to affiliates	0	0	0	0
22	Depreciation, depletion, and amortization	168,578	0	168,578	0
23	Insurance	13,466	0	13,466	0
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	Public Relations / Donor Cultivation	76,029	29,237	21,303	25,489
b	Dues & Subscriptions	20,511	0	20,511	0
c					
d					
e					
f	All other expenses	17,223	17,223	0	0
25	Total functional expenses. Add lines 1 through 24f	8,983,592	5,682,757	1,859,978	1,440,857
26	Joint costs. Check here ☐ 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	100	1	100
	2 Savings and temporary cash investments	7,838,057	2	6,166,689
	3 Pledges and grants receivable, net	7,617,757	3	6,766,135
	4 Accounts receivable, net	2,365,012	4	2,810,132
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0	5	0
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L	0	6	0
	7 Notes and loans receivable, net	1,441,840	7	1,367,402
	8 Inventories for sale or use	0	8	0
	9 Prepaid expenses and deferred charges	45,844	9	40,025
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 51,822,322		
	b Less: accumulated depreciation	10b 8,371,088	10c	43,451,234
	11 Investments—publicly traded securities	9,880,092	11	11,435,575
	12 Investments—other securities. See Part IV, line 11	72,995,242	12	82,266,724
	13 Investments—program-related. See Part IV, line 11	0	13	0
	14 Intangible assets	0	14	0
	15 Other assets. See Part IV, line 11	1,330,669	15	1,116,008
16 Total assets. Add lines 1 through 15 (must equal line 34)	146,498,165	16	155,420,024	
Liabilities	17 Accounts payable and accrued expenses	1,634,929	17	417,142
	18 Grants payable	0	18	0
	19 Deferred revenue	6,194,691	19	6,306,492
	20 Tax-exempt bond liabilities	25,139,151	20	23,519,636
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	0	21	0
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0	22	0
	23 Secured mortgages and notes payable to unrelated third parties	0	23	0
	24 Unsecured notes and loans payable to unrelated third parties	13,541	24	10,293
	25 Other liabilities. Complete Part X of Schedule D	660,383	25	623,238
	26 Total liabilities. Add lines 17 through 25	33,642,695	26	30,876,801
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	4,660,764	27	9,388,991
	28 Temporarily restricted net assets	22,897,759	28	19,721,507
	29 Permanently restricted net assets	85,296,947	29	95,432,725
	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	112,855,470	33	124,543,223
	34 Total liabilities and net assets/fund balances	146,498,165	34	155,420,024

Part XI Financial Statements and Reporting

- 1** Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other _____
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant? . . .
- b** Were the organization's financial statements audited by an independent accountant? . . .
- c** If "Yes" to line 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?
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- d** If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both
☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis
- 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?
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

	Yes	No
2a		✓
2b	✓	
2c	✓	
3a		✓
3b		

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

North Dakota State University Development Foundation

Employer identification number

23 : 7120898

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: (For lines 1 through 11, check only one box.)

- 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).**

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).**

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 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 supported organization(s).

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

[illegible]

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) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	13,823,062	13,457,257	12,685,690	10,994,366	10,344,161	61,304,536
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 lines 1 through 3	13,823,062	13,457,257	12,685,690	10,994,366	10,344,161	61,304,536
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)						13,496,004
6 Public support. Subtract line 5 from line 4.						47,808,532

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4	13,823,062	13,457,257	12,685,690	10,994,366	10,344,161	61,304,536
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	3,756,401	4,400,950	5,388,281	4,994,401	4,584,094	23,124,127
9 Net income from unrelated business activities, whether or not the business is regularly carried on	4,789	3,268	2,466	3,003	2,296	15,822
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)	1,192,939	113,743	185,730	35,627	28,848	1,556,887
11 Total support. Add lines 7 through 10						86,001,372
12 Gross receipts from related activities, etc. (see instructions)					12	2,185,114
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 ☐						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f))	14	56 %
15 Public support percentage from 2008 Schedule A, Part II, line 14	15	56 %
16a 33 1/3 % support test—2009. 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 % support test—2008. 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—2009. 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—2008. 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 year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any 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 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from 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 in line 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 lines 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 2009 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2008 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	%

- 19a 33⅓% support tests—2009.** If the organization did not check the box on line 14, and line 15 is more than 33⅓%, and line 17 is not more than 33⅓%, check this box and **stop here**. The organization qualifies as a publicly supported organization ► ☐
- b 33⅓% support tests—2008.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33⅓%, and line 18 is not more than 33⅓%, 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 explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Provide any other additional information. See instructions.

PART II, LINE 10:

This amount includes primarily the change in cash surrender value of life insurance policies of which the organization is the owner and beneficiary. The larger amounts in 2005 and 2007 include affinity credit card royalties.

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11, or 12.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

**Open to Public
Inspection**

Name of the organization

North Dakota State University Development Foundation

Employer identification number

23 : 7120898

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 can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring 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 important land area

☐ Protection of natural habitat ☐ Preservation of a certified historic structure

☐ Preservation of open space

2 Complete lines 2a through 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 Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax 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, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation 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 section 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 ▶ \$ 32,685

(ii) Assets included in Form 990, Part X ▶ \$ 75,447

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)	
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- 3** Using the organization's acquisition, 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 | d ☐ Loan or exchange programs |
| b ☐ Scholarly research | e ☐ Other |
| c ☐ Preservation for future generations | |
- 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 **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 the arrangement in Part XIV and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	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	79,606,173	99,189,949			
b Contributions	4,552,123	5,524,006			
c Net investment earnings, gains, and losses	9,697,616	-20,289,712			
d Grants or scholarships	1,734,701	1,821,373			
e Other expenditures for facilities and programs	2,043,927	1,578,817			
f Administrative expenses	1,544,057	1,417,880			
g End of year balance	88,533,227	79,606,173			

- 2 Provide the estimated percentage of the year end balance held as:
- a Board designated or quasi-endowment ▶12 %
- b Permanent endowment ▶88 %
- c Term endowment ▶0 %
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- (i) unrelated organizations
- (ii) related organizations
- b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?
- 4 Describe in Part XIV the intended uses of the organization's endowment funds.

	Yes	No
3a(i)		✓
3a(ii)		✓
3b		

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) Accumulated depreciation	(d) Book value
1a Land	3,590,202	594,068		4,184,270
b Buildings	36,697,569	3,679,398	5,494,202	34,882,765
c Leasehold improvements	2,740,924	0	711,431	2,029,493
d Equipment	735,591	3,384,574	1,914,644	2,205,521
e Other	0	399,996	250,811	149,185
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				43,451,234

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	10,563,290
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	8,983,592
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	1,579,698
4	Net unrealized gains (losses) on investments	4	10,108,055
5	Donated services and use of facilities	5	0
6	Investment expenses	6	0
7	Prior period adjustments	7	0
8	Other (Describe in Part XIV.)	8	0
9	Total adjustments (net). Add lines 4 through 8	9	10,108,055
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	11,687,753

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	24,138,102
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	10,108,055
b	Donated services and use of facilities	2b	0
c	Recoveries of prior year grants	2c	0
d	Other (Describe in Part XIV.)	2d	3,466,817
e	Add lines 2a through 2d	2e	13,574,872
3	Subtract line 2e from line 1	3	10,563,230
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	0
b	Other (Describe in Part XIV.)	4b	60
c	Add lines 4a and 4b	4c	60
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	10,563,290

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	12,450,349
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	0
b	Prior year adjustments	2b	0
c	Other losses	2c	0
d	Other (Describe in Part XIV.)	2d	3,466,817
e	Add lines 2a through 2d	2e	3,466,817
3	Subtract line 2e from line 1	3	8,983,532
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	0
b	Other (Describe in Part XIV.)	4b	60
c	Add lines 4a and 4b	4c	60
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	8,983,592

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 IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Part V, Line 4 - Use of endowment funds: to follow donors' wishes to provide an ongoing, reliable source of funding to North Dakota State University for student scholarships, faculty support, departmental support and organization operations.

Part X, liability for uncertain tax positions (footnote to financial statements):

The Company has adopted the provisions of FASB Accounting Standards Codification Topic ASC 740-10 (previously Financial Interpretation No. 48, Accounting for Uncertainty in Income Taxes), on July 1, 2009. The implementation of this standard had no impact on the financial statements. As of both the date of adoption, and as of June 30, 2010,

Part XIV Supplemental Information *(continued)*

the unrecognized tax benefit accrual was zero. The Company will recognize future accrued interest and penalties related to unrecognized tax benefits in income tax expense if incurred. The Company is no longer subject to Federal tax or state examinations by tax authorities for years before 2006.

Part XII, line 2d - Reclassification of rental property and event revenue and expenses.

Part XII, line 4b - gross up travel royalties by amount of public relations expense.

Part XIII, line 2d - Reclassification of rental property and event revenue and expenses.

Part XIII, line 4b - Increase public relations expense by amount netted against travel royalties.

Part III, line 4 - Bronze statue and wall hanging, depicting the bison, mascot and symbol of North Dakota State University. Items are on public display to promote the university.

Department of the Treasury
Internal Revenue Service

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2009

Open To Public Inspection

Name of the organization

North Dakota State University Development Foundation

Employer identification number

23 : 7120898

Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

- 1** Indicate whether the organization raised funds through any of the following activities. Check all that apply.
- | | |
|--|---|
| a ☐ Mail solicitations | e ☐ Solicitation of non-government grants |
| b ☐ Internet and email solicitations | f ☐ Solicitation of government grants |
| c ☐ Phone solicitations | g ☐ Special fundraising events |
| d ☐ In-person solicitations | |
- 2a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ Yes ☐ No
- b** If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
Total						

- 3** List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		Auction (event type)	(event type)	(total number)	(add col (a) through col (c))
Revenue	1 Gross receipts	310,048			310,048
	2 Less: Charitable contributions	217,718			217,718
	3 Gross income (line 1 minus line 2)	92,330			92,330
Direct Expenses	4 Cash prizes	0			
	5 Noncash prizes	0			
	6 Rent/facility costs	0			
	7 Food and beverages	42,691			42,691
	8 Entertainment	0			
	9 Other direct expenses	0			
	10 Direct expense summary. Add lines 4 through 9 in column (d)				(42,691)
	11 Net income summary. Combine line 3, column (d), and line 10				49,639

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

	(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
Revenue				
1 Gross revenue				
Direct Expenses				
	2 Cash prizes			
	3 Noncash prizes			
	4 Rent/facility costs			
	5 Other direct expenses			
6 Volunteer labor	☐ Yes _____% ☐ No	☐ Yes _____% ☐ No	☐ Yes _____% ☐ No	
7 Direct expense summary. Add lines 2 through 5 in column (d)				()
8 Net gaming income summary. Combine line 1, column d, and line 7				

- 9 Enter the state(s) in which the organization operates gaming activities: _____
- a Is the organization licensed to operate gaming activities in each of these states?
- b If "No," explain. _____
- 10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?
- b If "Yes," explain: _____
- 11 Does the organization operate gaming activities with nonmembers?
- 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?

	Yes	No
9a		
10a		
11		
12		

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. | | ☒ Yes | ☐ No |

Part II **Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered "Yes" to 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 (Form 990) if additional space is needed

[illegible]

- [illegible]

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

► Complete if the organization answered "Yes" to Form 990,
Part IV, line 23.

► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2009

**Open to Public
Inspection**

Name of the organization

North Dakota State University Development Foundation

Employer identification number

23

7120898

Part I Questions Regarding Compensation

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 | ☐ Housing allowance or residence for personal use |
| ☐ Travel for companions | ☐ Payments for business use of personal residence |
| ☐ Tax indemnification and gross-up payments | ☒ Health or social club dues or initiation fees |
| ☐ Discretionary spending account | ☐ Personal services (e.g., maid, chauffeur, chef) |

Yes No

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of 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 | ☐ Written employment contract |
| ☐ Independent compensation consultant | ☒ Compensation survey or study |
| ☐ Form 990 of other organizations | ☒ Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- | | |
|--|-------------|
| a Receive a severance payment or change-of-control payment? | 4a ✓ |
| b Participate in, or receive payment from, a supplemental nonqualified retirement plan? | 4b ✓ |
| c Participate in, or receive payment from, an equity-based compensation arrangement? | 4c ✓ |
- If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5–9.

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 ✓ |
| b Any related organization? | 5b ✓ |
- If "Yes" to line 5a or 5b, describe in Part III.

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 ✓ |
| b Any related organization? | 6b ✓ |
- If "Yes" to line 6a or 6b, describe in Part III.

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 ✓

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 ✓

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

9

Part III Supplemental 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.

Part I, line 1a.

The organization paid country club dues for James C. Miller and Jason L. Wohlman.

SCHEDULE J-2
(Form 990)

Continuation Sheet for Form 990

OMB No 1545-0047

2009

Open to Public Inspection

▶ Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

▶ See the Instructions for Form 990.

Department of the Treasury
Internal Revenue Service

Name of the Organization

Employer identification number

North Dakota State University Development Foundation

23

7120898

Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(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			
DANIEL G LYSNE Trustee	.5	✓						0	0	0
RUSSELL D MARING Trustee	.5	✓						0	0	0
RICHARD MARSDEN Trustee	.7	✓						0	0	0
JAMES MEIER Trustee	.7	✓						0	0	0
LARRY MILSOW Trustee	.5	✓						0	0	0
ROBERT C MONTGOMERY Trustee	.7	✓						0	0	0
CLIFFORD A MOORE Trustee	.5	✓						0	0	0
CONNIE NICHOLAS Trustee	.5	✓						0	0	0
DAVID OLIG Trustee	.5	✓						0	0	0
RONALD G OLSON Trustee/President	3	✓		✓				0	0	0
JOHN Q PAULSEN Trustee	.7	✓						0	0	0
DANIEL S PAULSON Trustee	.5	✓						0	0	0
GARY PAULSRUD Trustee	.5	✓						0	0	0
CARL PFIFFNER Trustee	.5	✓						0	0	0
RYN PITTS Trustee/Vice President	3	✓		✓				0	0	0
JAN PROMERSBERGER Trustee	.5	✓						0	0	0
JAMES ROERS Trustee	.7	✓						0	0	0
EILEEN SCHEEL Trustee	.5	✓						0	0	0
JEFFREY SCHLOSSMAN Trustee	.5	✓						0	0	0
DAVID J SELVIG Trustee	.5	✓						0	0	0
MARY LOU SHOTT Trustee	.5	✓						0	0	0

Department of the Treasury
Internal Revenue Service

► See the Instructions for Form 990.

2009

Open to Public Inspection

North Dakota State University Development Foundation

23 7120898

[illegible]

**SCHEDULE K
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

► Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information on Schedule O (Form 990).

► Attach to Form 990. See separate instructions.

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Name of the organization

North Dakota State University Development Foundation

Employer identification number

23 7120898

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Released		(h) On behalf of issuer
							Yes	No	
A	Cass County, North Dakota	45-6002205	147740AW	12/18/2003	4,354,296	Finance constr. of equine bldg.		✓	✓
B	Cass County, North Dakota	45-6002205	None	12/20/2005	3,500,000	Finance constr. & equip. of offices		✓	✓
C	City of Fargo, North Dakota	45-6002069	None	11/29/2007	18,711,428	Finance constr. classroom bldgs.		✓	✓
D	North Dakota State Univ. Development Fndn	23-7120898	None	9/15/2008	900,000	Finance const. univ. president home		✓	✓
E									

Part II Proceeds

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1	Total proceeds of issue		3,597,360		19,152,457		903,924	
2	Gross proceeds in reserve funds		0		0		0	
3	Proceeds in refunding or defeasance escrows		0		0		0	
4	Other unspent proceeds		0		0		0	
5	Issuance costs from proceeds		13,143		293,628		0	
6	Working capital expenditures from proceeds		0		0		0	
7	Capital expenditures from proceeds		3,584,217		18,858,829		903,924	
8	Year of substantial completion		2004		2009		2009	
9	Were the bonds issued as part of a current refunding issue?		Yes	No	Yes	No	Yes	No
10	Were the bonds issued as part of an advance refunding issue?		✓	✓	✓	✓	✓	✓
11	Has the final allocation of proceeds been made?		✓	✓	✓	✓	✓	✓
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?		✓	✓	✓	✓	✓	✓

Part III Private Business Use

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		✓	✓	✓	✓	✓	✓
2	Are there any lease arrangements with respect to the financed property which may result in private business use?		✓	✓	✓	✓	✓	✓

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

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Schedule K (Form 990) 2009

Part III Private Business Use (Continued)

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts with respect to the financed property which may result in private business use?		✓		✓		✓		✓		
b Are there any research agreements with respect to the financed property which may result in private business use?		✓		✓		✓		✓		
c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?		✓		✓		✓		✓		
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶		0 %		0 %		0 %		0 %		0 %
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶		0 %		0 %		0 %		0 %		0 %
6 Total of lines 4 and 5		0 %		0 %		0 %		0 %		0 %
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	✓		✓		✓		✓			

Part IV Arbitrage

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		✓		✓		✓		✓		
2 Is the bond issue a variable rate issue?		✓		✓		✓		✓		
3a Has the organization or the governmental issuer identified a hedge with respect to the bond issue on its books and records?		✓		✓		✓		✓		
b Name of provider										
c Term of hedge										
4a Were gross proceeds invested in a GIC?		✓		✓		✓		✓		
b Name of provider										
c Term of GIC										
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?										
5 Were any gross proceeds invested beyond an available temporary period?		✓		✓		✓		✓		
6 Did the bond issue qualify for an exception to rebate?	✓		✓		✓		✓			

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

► Complete if the organization answered
"Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c,
or Form 990-EZ, Part V, line 38a or 40b.
► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

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North Dakota State University Development Foundation

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Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No

- 2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 ► \$ _____
- 3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ► \$ _____

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
Russell D. Maring, as President of Sonmar of Fargo, Inc. Loan was to assist Sonmar in financing construction of a hotel on the campus of North Dakota State University. Maring is a trustee of the organization.		✓	1,000,000	1,000,000		✓	✓		✓	
Total				► \$ 1,000,000						

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
Terry L. Stroh (T L Stroh Architects)	Trustee	168,165	architect svcs-2 projects		✓

**SCHEDULE M
(Form 990)**

Department of the Treasury
Internal Revenue Service

Noncash Contributions

► Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
► Attach to Form 990.

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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	✓	1	32,685	appraisal
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded	✓	40	1,662,452	See Part II
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	✓	1	380,000	appraisal
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles	✓	1	0	
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► (Exec. Desk & Cred)	✓	1	0	
26 Other ► (.....)				
27 Other ► (.....)				
28 Other ► (.....)				

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

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?

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?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?

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.

	Yes	No
30a		✓
31	✓	
32a		✓

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

Part I, Line 9(b) - Number of contributions is the number of securities received.

Part I, Line 9(d) - Average market price on the date of contribution.

Part I, Line 18 - Stamp collection. Value and disposition is uncertain. May be sold or donated to university archives.

Part I, Line 25 - Executive desk and credenza was a pass through gift for the university, and therefore not recorded on organization's books.

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.

► Attach to Form 990.

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LATE RETURN: This return is filed later than the requested extended due date of May 16, 2011 because of departure of experienced staff and the additional time required to compile all information necessary to complete the return.

FORM 990, PART VI, SECTION A, LINE 1a: The organization's Executive Committee consists of six trustee officers of the organization and eight other trustees. The President of North Dakota State University, the Executive Director and the President and Vice President of the NDSU Alumni Association are non-voting ex-officio members. During the interval between semi-annual meetings of the board of trustees, the Executive Committee has authority to act on behalf of the board on any matter other than election of trustees or revision of the organization's by-laws.

FORM 990, PART VI, SECTION B LINE 11A: The 990 was reviewed by the Executive Director and the Board Treasurer, who is also Chair of the Finance Committee and the Audit Committee, before filing. After filing the 990 will be reviewed by the Finance Committee and the Executive Committee at their next scheduled meetings. Following their review the 990 will be sent to all trustees.

FORM 990, PART VI, SECTION B. LINE 15 a: The process for determining compensation for the Executive Director is the responsibility of the organization's eight member Compensation Committee. Six of the members are independent trustees and two are independent directors of the NDSU Alumni Association. The committee annually reviews mutually determined goals and objectives of the incumbent. Salary adjustments are based on a review of similar positions at 19 peer institutions, as determined by the ND State Board of Higher Education. In making salary recommendations, the committee takes advantage of information compiled annually by the College and University Personnel Association (CUPA) for those peer institutions. In turn, the Executive Director evaluates four direct reports using mutually agreed to goals and objectives for each person. The CUPA report is used for salary comparisons for similar positions at peer institutions. His recommendations on salary adjustments are forwarded to the committee for review and approval. As part of the annual budget, all salaries are then approved, in turn, by the Finance Committee and the Executive Committee.

Name of the organization

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Employer identification number

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FORM 990, PART VI, SECTION C, LINE 19: Governing documents, conflict of interest policy, and financial statements are available on request.

SCHEDULE K (FORM 990), PART I:

LINE A, COLUMN (f): Finance construction of an Equine Studies facility for North Dakota State University.

LINE B, COLUMN (f): Finance leasehold improvement construction and equipping of football offices, locker rooms and meeting rooms for North Dakota State University.

LINE C, COLUMN (f): Finance purchase, renovation of and additions to two buildings for North Dakota State University.

LINE D, COLUMN (f): Finance construction of new campus residence for presidents of North Dakota State University.

SCHEDULE K (FORM 990), PART II:

LINE 5, COLUMN A: Issuance costs = \$79,831, fees for credit enhancement = \$45,614 and bond insurance = \$20,760.

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

- ▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

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Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

(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

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(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
North Dakota State University Alumni Association Fargo, ND EIN 45-0173089	Alumni Relations	ND	501(c)(3)	5	N/A
Fossum Foundation, Inc. 1241 University Dr N, Fargo, ND 58102 EIN 45-6013302	Supporting Organ.	ND	501(c)(3)	11 a, Type I	N/A

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, or 36.)**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.**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?

	Yes	No
a Receipt of (i) interest (ii) annuities (iii) royalties or (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)	☐	☒

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	(b) Transaction type (a-r)	(c) Amount involved
(1)	North Dakota State University Alumni Association relationship is such that all activity is consolidated with organization.		
(2)	Fossum Foundation, Inc. relationship is such that all activity is consolidated with organization in this return.		
(3)	Kilbourne Design Group, LLC - Organization, as managing member, maintains the books and records of the LLC.	k	0
(4)	650 NP Avenue, LLC - Organization, as managing member, maintains the books and records of the LLC.	k	0
(5)			
(6)			

