See a Social Security Number? Say Something!
Report Privacy Problems to https://public.resource.org/privacy
Or call the IRS Identity Theft Hotline at 1-800-908-4490

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2009

Open to Public Inspection

A For the 2009 calendar year, or tax year beginning JUL 1, 2009 and ending JUN 30, 2010

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

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

C Name of organization
SOUTHERN MINNESOTA INITIATIVE FOUNDATION

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
525 FLORENCE AVENUE

City or town, state or country, and ZIP + 4
OWATONNA, MN 55060

D Employer identification number
36-3454285

E Telephone number
507-455-3215

G Gross receipts $ 20,090,262.

F Name and address of principal officer: BRIAN CONZEMIUS
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) (3) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ HTTP://WWW.SMIFOUNDATION.ORG

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

L Year of formation: 1986 M State of legal domicile: MN

Part I Summary

1 Briefly describe the organization's mission or most significant activities: PROVIDES GRANTS, LOANS AND TECHNICAL ASSISTANCE TO NON PROFITS, GOVERNMENT AGENCIES AND

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	14
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	14
5	Total number of employees (Part V, line 2a)	5	74
6	Total number of volunteers (estimate if necessary)	6	0
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	2,336,261.	1,773,883.
9	Program service revenue (Part VIII, line 2g)	310,726.	278,839.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<2,952,724.>	1,766,636.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<305,737.>	3,819,358.
13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	1,684,415.	843,637.
14	Benefits paid to or for members (Part IX, column (A), line 4)		
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	1,843,055.	1,919,229.
16a	Professional fundraising fees (Part IX, column (A), line 11e)		
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 139,408.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	1,236,596.	1,157,378.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	4,764,066.	3,920,244.
19	Revenue less expenses. Subtract line 18 from line 12	<5,069,803.>	<100,886.>

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	29,721,024.	30,742,973.
21	Total liabilities (Part X, line 26)	2,605,313.	2,574,199.
22	Net assets or fund balances. Subtract line 21 from line 20	27,115,711.	28,168,774.

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

✓ Signature of officer — Date 11/01/2010

BRIAN CONZEMIUS, VICE PRESIDENT/CFO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature — Date 10/19/2010 — Check if self-employed ▶ ☐ — Preparer's identifying number (see instructions)

Firm's name (or yours if self-employed), address, and ZIP + 4
RSM MCGLADREY, INC.
310 BROADWAY AVENUE S, SUITE 300
ROCHESTER, MN 55904

EIN ▶

Phone no. ▶ 507.288.5363

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

SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION

Part III | Statement of Program Service Accomplishments

1 Briefly describe the organization's mission:
PROVIDES GRANTS, LOANS AND TECHNICAL ASSISTANCE TO NON PROFITS, GOVERNMENT AGENCIES AND BUSINESSES IN THE 20 COUNTY REGION TO CREATE ECONOMIC GROWTH BY LEVERAGING PARTNERSHIPS AND COLLABORATIONS.

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 $ 1,318,076. including grants of $ 65,102.) (Revenue $ 278,839.)
SOUTHERN MINNESOTA INITIATIVE FOUNDATION PROVIDES GRANTS, LOANS AND TECHNICAL ASSISTANCE TO BUSINESSES, LOCAL GOVERNMENTS AND NONPROFIT ORGANIZATIONS THAT ACCELERATE THE CREATION OF NEW BUSINESSES AND INNOVATIVE VENTURES THAT WILL SHAPE OUR ECONOMY THROUGH PARTNERSHIPS WITHIN OUR REGION.

4b (Code:) (Expenses $ 1,348,626. including grants of $ 778,535.) (Revenue $)
SOUTHERN MINNESOTA INITIATIVE FOUNDATION PROVIDES GRANTS AND TECHNICAL ASSISTANCE TO LOCAL GOVERNMENTS, COMMUNITY PARTNERSHIPS AND NONPROFIT ORGANIZATIONS. OUR WORKFORCE AND COMMUNITY ASSISTANCE EFFORTS ARE FOCUSING ON DEVELOPING COMMUNITIES ASSETS AND SKILLED WORKERS PREPARED TO DRIVE GROWTH WITHIN THE FOLLOWING KEY AREAS: EARLY CHILDHOOD EDUCATION (STRENGTHEN LOCAL RESOURCES FOR YOUNG CHILDREN AND THEIR FAMILIES),EXPERIENTIAL CAREER EDUCATION (PROVIDE OPPORTUNITIES FOR NON-COLLEGE BOUND STUDENTS TO SUCCEED IN THE WORKPLACE), ENGAGED ELDERS (ENGAGE OLDER CITIZENS IN PAID EMPLOYMENT OR VOLUNTEERISM RELATED TO OUR BUSINESS AND WORKFORCE INTEREST) AND NEW IMMIGRANTS (CAPITALIZE ON THE ASSETS OF NEW IMMIGRANTS IN THE WORKPLACE).

4c (Code:) (Expenses $ 551,762. including grants of $) (Revenue $)
SOUTHERN MINNESOTA INITIATIVE FOUNDATION ADMINISTERS THE AMERICORPS-SOUTHERN MINNESOTA GRANT FOCUSING ON EARLY CHILDHOOD. SUPPORTED AMERICORP MEMBERS SERVE IN NON-PROFITS THROUGHOUT THE TWENTY COUNTY AREA WORKING WITH PRESCHOOL CHILDREN AND PARENTS ON EARLY LITERACY AND SCHOOL READINESS SUPPORT.

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

4e **Total program service expenses ▶ $** 3,218,464.

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		X
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? *If "Yes," complete Schedule C, Part II*	4	X	
5	**Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any 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*	6	X	
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
9	Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		X
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*	10	X	
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*	11	X	
	• 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.*	12	X	
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* (Yes: , No: X)	12A		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
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*	14b		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Part II*	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Part III*	16		X
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*	17		X
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*	18		X
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*	19		X
20	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20		X

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? *If "Yes," complete Schedule I, Parts I and II*	21	X	
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? *If "Yes," complete Schedule I, Parts I and III*	22		X
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? *If "Yes," complete Schedule J*	23	X	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No", go to line 25*	24a		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		X
b	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? *If "Yes," complete Schedule L, Part I*	25b		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		X
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? *If "Yes," complete Schedule L, Part III*	27		X
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? *If "Yes," complete Schedule L, Part IV*	28a		X
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		X
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? *If "Yes," complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29	X	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
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? *If "Yes," complete Schedule R, Part I*	33		X
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	34		X
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35		X
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		X
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? *If "Yes," complete Schedule R, Part VI*	37		X
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.	38	X	

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	1a	51		
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		X	
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	2a	74		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b		X	
	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?	3a			X
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			X
b	If "Yes," enter the name of the foreign country: ▶ _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a			X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c			
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?	6a			X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	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?	7a			X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			X
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g			X
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h			X
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?	8			X
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			X
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			X
10	**Section 501(c)(7) organizations.** Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			

Part VI Governance, Management, and Disclosure *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 14		
b	Enter the number of voting members that are independent	1b 14		
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		X
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		X
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4	X	
5	Did the organization become aware during the year of a material diversion of the organization's assets?	5		X
6	Does the organization have members or stockholders?	6		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		X
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a	The governing body?	8a	X	
b	Each committee with authority to act on behalf of the governing body?	8b	X	
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*	9		X

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		X
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	X	
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	X	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
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	X	
13	Does the organization have a written whistleblower policy?	13	X	
14	Does the organization have a written document retention and destruction policy?	14	X	
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	X	
b	Other officers or key employees of the organization	15b	X	
	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		X
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 ▶ MN

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.

[X] Own website [ ] Another's website [X] 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: ▶

BRIAN CONZEMIUS - 507 455-3215
OWATONNA, MN 55060

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			
BILL DAVIS PAST CHAIR	2.00	X						0.	0.	0.
STEVE UNDERDAHL VICE CHAIR	2.00	X		X				0.	0.	0.
LINDA CRUZ LARES SECRETARY	2.00	X		X				0.	0.	0.
MICHAEL TUOHY JR. BOARD MEMBER	2.00	X						0.	0.	0.
DIANE TWEDELL BOARD MEMBER	2.00	X						0.	0.	0.
DAN CHRISTIANSON CHAIR	2.00	X		X				0.	0.	0.
JODY FERAGEN TREASURER	2.00	X		X				0.	0.	0.
MIMI CARLSON BOARD MEMBER	2.00	X						0.	0.	0.
CAROL KAMPER BOARD MEMBER	2.00	X						0.	0.	0.
STEPHEN WALDHOFF BOARD MEMBER	2.00	X						0.	0.	0.
ROBERT HOFFMAN BOARD MEMBER	2.00	X						0.	0.	0.
DEBORAH DOVE BOARD MEMBER	2.00	X						0.	0.	0.
JOHN MONSON BOARD MEMBER	2.00	X						0.	0.	0.
BUKATA HAYES BOARD MEMBER	2.00	X						0.	0.	0.
TIMOTHY PENNY PRESIDENT/CEO	40.00			X				152,179.	0.	15,841.
CAROL CERNEY VICE PRESIDENT/COO	40.00			X				96,215.	0.	12,782.
BRIAN CONZEMIUS VICE PRESIDENT/CFO	40.00			X				91,059.	0.	9,383.

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			
1b Total ▶								339,453.	0.	38,006.

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 ▶ 1

		Yes	No
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*	3		X
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*	4	X	
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*	5		X

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. NONE

(A) Name and business address	(B) Description of services	(C) Compensation

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 ▶ 0

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				
	d Related organizations	1d				
	e Government grants (contributions)	1e	505,336.			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	1,268,547.			
	g Noncash contributions included in lines 1a-1f $ 283,377.					
	h **Total.** Add lines 1a-1f		1,773,883.			
Program Service Revenue		Business Code				
	2a LOAN INTEREST	900099	278,839.	278,839.		
	b					
	c					
	d					
	e					
	f All other program service revenue					
	g **Total.** Add lines 2a-2f		278,839.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		915,373.			915,373.
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
		(i) Real	(ii) Personal			
	6a Gross Rents					
	b Less: rental expenses					
	c Rental income or (loss)					
	d Net rental income or (loss)					
		(i) Securities	(ii) Other			
	7a Gross amount from sales of assets other than inventory	17122167				
	b Less: cost or other basis and sales expenses	16270904				
	c Gain or (loss)	851,263.				
	d Net gain or (loss)		851,263.			851,263.
	8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c). See Part IV, line 18 a					
	b Less: direct expenses b					
	c Net income or (loss) from fundraising events					
	9a Gross income from gaming activities. See Part IV, line 19 a					
	b Less: direct expenses b					
	c Net income or (loss) from gaming activities					
	10a Gross sales of inventory, less returns and allowances a					
	b Less: cost of goods sold b					
	c Net income or (loss) from sales of inventory					
	Miscellaneous Revenue	Business Code				
	11a					
	b					
	c					
	d All other revenue					
	e **Total.** Add lines 11a-11d					
	12 **Total revenue.** See instructions.		3,819,358.	278,839.	0.	1766636.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	843,637.	843,637.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	387,415.	210,667.	146,760.	29,988.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	1,239,128.	1,051,588.	120,286.	67,254.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	21,550.	16,693.	3,461.	1,396.
9 Other employee benefits	160,719.	128,262.	20,249.	12,208.
10 Payroll taxes	110,417.	85,059.	18,366.	6,992.
11 Fees for services (non-employees):				
a Management				
b Legal	1,530.	1,530.		
c Accounting	41,386.		41,386.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	165,190.		165,190.	
g Other				
12 Advertising and promotion	9,623.	6,787.		2,836.
13 Office expenses	111,619.	86,819.	16,166.	8,634.
14 Information technology	7,009.	6,147.	622.	240.
15 Royalties				
16 Occupancy				
17 Travel	53,353.	43,396.	6,900.	3,057.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	33,658.	32,725.	845.	88.
20 Interest	47,426.	45,892.	1,107.	427.
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	33,298.	23,696.	6,929.	2,673.
23 Insurance	1,855.	1,320.	386.	149.
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 BAD DEBTS	405,092.	405,092.		
b CONSULTANTS	136,588.	131,785.	2,497.	2,306.
c OTHER EXPENSES	101,876.	97,207.	3,509.	1,160.
d BOARD EXPENSE	7,875.	162.	7,713.	
e				
f All other expenses				
25 **Total functional expenses.** Add lines 1 through 24f	3,920,244.	3,218,464.	562,372.	139,408.
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			1	
	2	Savings and temporary cash investments		2,631,144.	2	2,190,020.
	3	Pledges and grants receivable, net		2,384,239.	3	1,526,602.
	4	Accounts receivable, net			4	
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			5	
	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			6	
	7	Notes and loans receivable, net		3,801,910.	7	3,687,469.
	8	Inventories for sale or use			8	
	9	Prepaid expenses and deferred charges		14,578.	9	14,825.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 1,157,744.			
	b	Less: accumulated depreciation	10b 486,255.	648,396.	10c	671,489.
	11	Investments - publicly traded securities			11	
	12	Investments - other securities See Part IV, line 11		20,206,879.	12	22,626,114.
	13	Investments - program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets. See Part IV, line 11		33,878.	15	26,454.
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		29,721,024.	16	30,742,973.
Liabilities	17	Accounts payable and accrued expenses		132,998.	17	102,628.
	18	Grants payable		175,567.	18	188,982.
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties		1,876,811.	23	1,944,676.
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities. Complete Part X of Schedule D		419,937.	25	337,913.
	26	**Total liabilities.** Add lines 17 through 25		2,605,313.	26	2,574,199.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		2,891,454.	27	3,012,478.
	28	Temporarily restricted net assets		6,882,581.	28	7,537,968.
	29	Permanently restricted net assets		17,341,676.	29	17,618,328.
		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		27,115,711.	33	28,168,774.
	34	Total liabilities and net assets/fund balances		29,721,024.	34	30,742,973.

Form **990** (2009)

Part XI Financial Statements and Reporting

			Yes	No
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?	2a		X
b	Were the organization's financial statements audited by an independent accountant?	2b	X	
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.	2c	X	
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?	3a		X
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.	3b		

SCHEDULE A (Form 990 or 990-EZ)

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	Employer identification number
SOUTHERN MINNESOTA INITIATIVE FOUNDATION	36-3454285

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?

		Yes	No
(i)	A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? 11g(i)		
(ii)	A family member of a person described in (i) above? 11g(ii)		
(iii)	A 35% controlled entity of a person described in (i) or (ii) above? 11g(iii)		

h Provide the following information about the supported organization(s).

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

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.")	1586063.	1087043.	9871599.	2336261.	1773883.	16654849.
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	1586063.	1087043.	9871599.	2336261.	1773883.	16654849.
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)						7713312.
6 **Public support.** Subtract line 5 from line 4						8941537.

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	1586063.	1087043.	9871599.	2336261.	1773883.	16654849.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	428,401.	617,618.	799,418.	1065360.	915,373.	3826170.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)			81,183.			81,183.
11 **Total support.** Add lines 7 through 10						20562202.

12 Gross receipts from related activities, etc. (see instructions)	12	1,648,830.

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	43.49 %
15 Public support percentage from 2008 Schedule A, Part II, line 14	15	42.87 %

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 **33 1/3% support tests - 2009.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support tests - 2008.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

Schedule A — Identification of Excess Contributions Included on Part II, Line 5 — 2009

** Do Not File **
*** Not Open to Public Inspection ***

Contributor's Name	Total Contributions	Excess Contributions
	8,124,556.	7,713,312.
Total Excess Contributions to Schedule A, Part II, Line 5		7,713,312.

923171 04-24-09

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

▶ Complete if the organization is described below.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

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

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

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

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

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

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

Name of organization	Employer identification number
SOUTHERN MINNESOTA INITIATIVE FOUNDATION	36-3454285

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

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

2 Political expenditures ▶ $ 1,100.

3 Volunteer hours

Part I-B Complete if the organization is exempt under section 501(c)(3).

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

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

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

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV.

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

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

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

3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ $

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

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

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

Part II-A **Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

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

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

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

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over $500,000	20% of the amount on line 1e.
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000.
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000.
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000.
Over $17,000,000	$1,000,000

g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a. If zero or less, enter -0-		
i Subtract line 1f from line 1c If zero or less, enter -0-		

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

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B **Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).**

		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a	Volunteers?	X		
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	X		
c	Media advertisements?		X	
d	Mailings to members, legislators, or the public?	X		50.
e	Publications, or published or broadcast statements?		X	
f	Grants to other organizations for lobbying purposes?		X	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		X	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i	Other activities? If "Yes," describe in Part IV	X		1,100.
j	Total. Add lines 1c through 1i			1,150.
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).**

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

Part III-B **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes."**

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

Part IV **Supplemental Information**

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

PART II-B, LINE 1(I), OTHER LOBBYING ACTIVITIES:

STAFF AND MANAGEMENT OF SOUTHERN MINNESOTA INITIATIVE FOUNDATION WERE COMPENSATED $1,100.00 FOR PARTICIPATING IN THESE VARIOUS ACTIVITIES.

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 SOUTHERN MINNESOTA INITIATIVE FOUNDATION

Employer identification number 36-3454285

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	1	
2	Aggregate contributions to (during year)	4,000.	
3	Aggregate grants from (during year)	3,500.	
4	Aggregate value at end of year	44,069.	

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)
☐ Protection of natural habitat
☐ Preservation of open space
☐ Preservation of an historically important land area
☐ Preservation of a certified historic structure

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

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

a Revenues included in Form 990, Part VIII, line 1 ▶ $ _____
b Assets included in Form 990, Part X ▶ $ _____

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

3 Using the organization's 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
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other _____

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

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if 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	19669559.	25371668.			
b Contributions	351,146.	335,669.			
c Net investment earnings, gains, and losses	2,622,052.	<4888793.>			
d Grants or scholarships	1,050,625.	1,148,985.			
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	21592132.	19669559.			

2 Provide the estimated percentage of the year end balance held as:

a Board designated or quasi-endowment ▶ .00 %
b Permanent endowment ▶ 81.60 %
c Term endowment ▶ 18.40 %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
(i) unrelated organizations (3a(i))		X
(ii) related organizations (3a(ii))		X
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? (3b)		

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings		707,405.	180,145.	527,260.
c Leasehold improvements				
d Equipment		370,339.	297,221.	73,118.
e Other		80,000.	8,889.	71,111.
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				671,489.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
Financial derivatives		
Closely-held equity interests		
Other		
OTHER INVESTMENTS	22,626,114.	END-OF-YEAR MARKET VALUE
Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶	22,626,114.	

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

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

Part IX Other Assets. See Form 990, Part X, line 15.

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

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
Federal income taxes	
REFUNDABLE ADVANCES	51,306.
LINE OF CREDIT	286,607.
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25.)* ▶	337,913.

2. FIN 48 Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48.

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	3,819,358.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	3,920,244.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	<100,886.>
4	Net unrealized gains (losses) on investments	4	1,091,116.
5	Donated services and use of facilities	5	62,833.
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net). Add lines 4 through 8	9	1,153,949.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	1,053,063.

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	4,808,117.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:				
a	Net unrealized gains on investments	2a	1,091,116.		
b	Donated services and use of facilities	2b	62,833.		
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV.)	2d	<165,190.>		
e	Add lines 2a through 2d			2e	988,759.
3	Subtract line 2e from line 1			3	3,819,358.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV.)	4b			
c	Add lines 4a and 4b			4c	0.
5	Total revenue. Add lines 3 and 4c. *(This must equal Form 990, Part I, line 12.)*			5	3,819,358.

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

1	Total expenses and losses per audited financial statements			1	3,755,054.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV.)	2d			
e	Add lines 2a through 2d			2e	0.
3	Subtract line 2e from line 1			3	3,755,054.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV.)	4b	165,190.		
c	Add lines 4a and 4b			4c	165,190.
5	Total expenses. Add lines 3 and 4c. *(This must equal Form 990, Part I, line 18.)*			5	3,920,244.

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: THE FOUNDATION HAS DEVELOPED A SPENDING POLICY WHICH USES UP TO 5% OF ITS ENDOWMENT BALANCE ANNUALLY TO SUPPORT ITS PROGRAMS AND ACTIVITIES.

PART X: THE FOUNDATION IS EXEMPT FROM FEDERAL INCOME TAXES AS A TAX-EXEMPT ORGANIZATION DESCRIBED IN SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE, EXCEPT FOR INCOME ON CERTAIN UNRELATED BUSINESS INCOME. AT JUNE 30, 2010, THERE IS NO MATERIAL AMOUNT OF UNRELATED BUSINESS INCOME.

Part XIV Supplemental Information *(continued)*

THE FOUNDATION IS ALSO EXEMPT FROM STATE INCOME TAXES UNDER APPLICABLE MINNESOTA STATUTES.

EFFECTIVE JULY 1, 2009, THE FOUNDATION ADOPTED THE PROVISIONS OF ASC 740, INCOME TAXES, RELATED TO ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES (PREVIOUSLY FIN 48). THESE PROVISIONS CLARIFY THE ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES RECOGNIZED IN AN ENTERPRISE'S FINANCIAL STATEMENTS IN ACCORDANCE WITH ASC 740. THE STANDARD PRESCRIBES A RECOGNITION THRESHOLD AND MEASUREMENT ATTRIBUTE FOR THE FINANCIAL STATEMENT RECOGNITION AND MEASUREMENT OF A TAX POSITION TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN. THE STANDARD ALSO PROVIDES GUIDANCE ON DERECOGNITION OF TAX BENEFITS, CLASSIFICATION ON THE BALANCE SHEET, INTEREST AND PENALTIES, ACCOUNTING IN INTERIM PERIODS, DISCLOSURE AND TRANSITION. THE INTERPRETATION REQUIRES THAT THE ENTITY RECOGNIZE IN THE FINANCIAL STATEMENTS THE IMPACT OF A TAX POSITION IF THAT POSITION WILL MORE LIKELY THAN NOT BE SUSTAINED ON AUDIT, BASED ON THE TECHNICAL MERITS OF THE POSITION. IN EVALUATING WHETHER A TAX POSITION HAS MET THE MORE-LIKELY-THAN-NOT RECOGNITION THRESHOLD, THE ENTITY SHOULD PRESUME THAT THE POSITION WILL BE EXAMINED BY THE APPROPRIATE TAXING AUTHORITY THAT HAS FULL KNOWLEDGE OF ALL RELEVANT INFORMATION. A TAX POSITION THAT MEETS THE MORE-LIKELY-THAN-NOT THRESHOLD IS MEASURED TO DETERMINE THE AMOUNT OF BENEFIT TO RECOGNIZE IN THE FINANCIAL STATEMENTS. THE TAX POSITION IS MEASURED AT THE LARGEST AMOUNT OF BENEFIT THAT IS GREATER THAN 50 PERCENT LIKELY OF BEING REALIZED UPON SETTLEMENT. INCOME TAX POSITIONS MUST MEET A MORE-LIKELY-THAN-NOT RECOGNITION THRESHOLD AT THE EFFECTIVE DATE TO BE RECOGNIZED UPON THE ADOPTION OF THESE PROVISIONS AND IN SUBSEQUENT PERIODS. THE ADOPTION OF THE ASC 740 PROVISIONS HAD NO IMPACT ON THE FINANCIAL STATEMENTS.

Part XIV Supplemental Information *(continued)*

AT JUNE 30, 2010 THE FEDERAL AND MINNESOTA TAX RETURNS FOR THE FOUNDATION ARE OPEN FOR EXAMINATION BY TAXING AUTHORITIES FOR THE YEARS 2007 TO 2009. AT JUNE 30, 2010, THE FOUNDATION DID NOT RECORD LIABILITIES FOR UNCERTAIN TAX POSITIONS.

PART XII, LINE 2D - OTHER ADJUSTMENTS:

INVESTMENT FEES NETTED WITH REVENUE: -165190.

PART XIII, LINE 4B - OTHER ADJUSTMENTS:

INVESTMENT FEES NETTED WITH REVENUE: 165190.

SCHEDULE I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

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

▶ **Attach to Form 990.**

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization

SOUTHERN MINNESOTA INITIATIVE FOUNDATION

Employer identification number

36-3454285

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? . . . . . [X] Yes [ ] No

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

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" 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 ▶ [ ]

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
BROWN COUNTY PUBLIC HEALTH 1117 CENTER ST, PO BOX 543 NEW ULM, MN 56073-3255	41-6005765	GOVERNMENT	0.	8,975.	FMV	BOOKS	BOOKSTART PROGRAM
ISD #2365 - GIBBON FAIRFAX WINTHROP - 323 11TH ST E - GIBBON, MN 55335	80-0440599	501(C)(3):SCHOOL	0.	5,032.	FMV	BOOKS	BOOKSTART PROGRAM
ISD #500 - SOUTHLAND 312 W MAIN ADAMS, MN 55909	41-0972446	501(C)(3):SCHOOL	0.	5,209.	FMV	BOOKS	BOOKSTART PROGRAM
ISD #77 - MANKATO LINCOLN COMMUNITY CENTER MANKATO, MN 56001	41-6000310	501(C)(3):SCHOOL	0.	5,260.	FMV	BOOKS	BOOKSTART PROGRAM
PREVENT CHILD ABUSE MN 606 5TH ST E ALBERT LEA, MN 56007	41-1354842	501(C)(3)	0.	7,180.	FMV	BOOKS	BOOKSTART PROGRAM
REGION NINE CHILD CARE RESOURCE AND REFERRAL INC - 101 NORTH 2ND ST SUITE 105 - MANKATO, MN 56001	41-1701802	501(C)(3)	0.	5,612.	FMV	BOOKS	BOOKSTART PROGRAM

2 Enter total number of section 501(c)(3) and government organizations . . . . . ▶ 40.

3 Enter total number of other organizations . . . . . ▶ 2.

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

Schedule I (Form 990) 2009

932101 02-02-10

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

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

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

SCHEDULE I, PART I, LINE 2: THE FOUNDATION PROVIDES GRANTS ON AN OPEN APPLICATION BASIS. IT LISTS ITS REQUIREMENTS APPLYING FOR GRANTS ON ITS WEBSITE AND ON THE RFP IT SENDS OUT. THE FOUNDATION ALSO PROVIDES ASSISTANCE TO GRANT APPLICANTS AS NEEDED. THE FOUNDATION APPROVES THESE GRANTS BASED ON THE REQUIREMENTS LISTED FOR THE APPLICATION AND AGAINST ORGANIZATIONAL GUIDELINES AND BUDGET CONSTRAINTS. THE FOUNDATION REQUIRES THE APPLICANT FILL OUT AN APPLICATION AND UPON APPROVAL THE FOUNDATION WILL NOTIFY THE APPLICANT, HAVE THEM SIGN A CONTRACT AND THE FOUNDATION WILL REQUIRE ON-GOING CORRESPONDANCES, SITE VISITS, INTERIM AND FINAL REPORTS

SCHEDULE I-1 (Form 990)
Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule I (Form 990)
▶ Attach to Form 990 to list additional information for Schedule I (Form 990), Part II or Part III.

OMB No 1545-0047
2009
Open to Public Inspection

Name of the organization
SOUTHERN MINNESOTA INITIATIVE FOUNDATION

Employer identification number
36-3454285

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
RESOURCES WITH EXTRA ATTENTION TO CHILDREN IN THEIR HOME - 500 PAQUIN ST E - WATERVILLE, MN 56096	41-1743364	501(C)(3):SCHOOL	0.	5,385.	FMV	BOOKS	BOOKSTART PROGRAM
RICE COUNTY PUBLIC HEALTH 320 NW 3RD ST FARIBAULT, MN 55021	41-6005882	GOVERNMENT	0.	7,416.	FMV	BOOKS	BOOKSTART PROGRAM
ROTARY CLUB OF FARIBAULT 119 CENTRAL AVE N FARIBAULT, MN 55021	41-6042611	SERVICE CLUB	0.	5,530.	FMV	BOOKS	BOOKSTART PROGRAM
WINONA COMMUNITY FOUNDATION 51 4TH ST E STE 314 WINONA, MN 55987-3437	36-3500853	501(C)(3)	0.	8,975.	FMV	BOOKS	BOOKSTART PROGRAM
FOCUSING ON INTEGRATING NEWCOMERS THROUGH EDUCATION - 202 3RD ST W - WINONA, MN 55987	41-1883675	501(C)(3)	15,000.	0.			FARM LABORER TRAINING PROGRAM
FREEBORN COUNTY FAMILY SERVICES 203 CLARK ST W PO BOX 1246 ALBERT LEA, MN 56007	41-6005795	GOVERNMENT	40,364.	0.			EARLY CHILDHOOD INITIATIVE
FREEBORN COUNTY PUBLIC HEALTH 411 BROADWAY S PO BOX 1147 ALBERT LEA, MN 56007	41-6005795	GOVERNMENT	20,000.	0.			HOME VISITING PROGRAM
GOOD SHEPHERD LUTHERN SERVICES 800 HOME ST PO BOX 747 RUSHFORD, MN 55971-9154	41-0880871	501(C)(3)	6,000.	0.			RADAR

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

Schedule I-1 (Form 990) 2009

SCHEDULE I-1 (Form 990)
Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule I (Form 990)
▶ Attach to Form 990 to list additional information for Schedule I (Form 990), Part II or Part III.

OMB No 1545-0047
2009
Open to Public Inspection

Name of the organization
SOUTHERN MINNESOTA INITIATIVE FOUNDATION

Employer identification number
36-3454285

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
HEALTHFORCE MINNESOTA WSU SOMSEN 201, PO BOX 5838 WINONA, MN 55987-5838	41-1687554	501(C)(3):SCHOOL	10,000.	0.			SCRUBS CAMP
INTERCULTURAL MUTUAL ASSISTANCE ASSOCATION OF SOUTHEAST MN INC - 2500 VALLEYHIGH DR NW - ROCHESTER, MN 55901	41-1497753	501(C)(3)	20,000.	0.			AG SKILLS TRAINING & ADVANCEMENT
ISD #2143 - WATERVILLE ELYSIAN MORRISTOWN - 500 PAQUIN ST E - WATERVILLE, MN 56096-1596	41-1743364	501(C)(3):SCHOOL	7,000.	0.			GROWING GREAT KIDS/HOME VISITING
ISD #239 - RUSHFORD PETERSON 102 MILL ST N PO BOX 627 RUSHFORD, MN 55971-0627	41-1655958	501(C)(3):SCHOOL	6,126.	0.			MINI-GRANT PROGRAM
ISD #2448 MARTIN COUNTY WEST 308 4TH ST WELCOME, MN 56181	41-1716840	501(C)(3):SCHOOL	21,500.	0.			EARLY CHILDHOOD INITIATIVE
LA-MANO 1400 MADISON AVE E STE 218 MANKATO, MN 56002-3373	41-1845943	501(C)(3)	20,000.	0.			ENTREPRENEUR DOORWAY PROJECT
LANESBORO LOCAL 101 PARKWAY AVE LANESBORO, MN 55949	26-4769416	501(C)(3)	19,400.	0.			LOCAL FOODS FOR LOCAL MARKETS
LUTHERN SOCIAL SERVICE OF MN 2485 COMO AVENUE ST. PAUL, MN 55108-1445	41-0872993	501(C)(3)	8,000.	0.			CAMP NOAH

SCHEDULE I-1 (Form 990)
Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule I (Form 990)
▶ Attach to Form 990 to list additional information for Schedule I (Form 990), Part II or Part III.

OMB No 1545-0047
2009
Open to Public Inspection

Name of the organization
SOUTHERN MINNESOTA INITIATIVE FOUNDATION

Employer identification number
36-3454285

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
SOUTHWEST INITIATIVE FOUNDATION 15 3RD AVE NW HUTCHINSON, MN 55350	41-1555592	501(C)(3)	10,000.	0.			YES! PROGRAM
CITY OF WANAMINGO PO BOX 188 WANAMINGO, MN 55983	41-6005614	GOVERNMENT	14,616.	0.			BASEBALL FIELD
MNSCU-RIVERLAND COMMUNITY COLLEGE 965 ALEXANDER DR SW OWATONNA, MN 55060	41-1687554	501(C)(3):SCHOOL	60,000.	0.			COMMUNITY GROWTH INITIATIVE/IMMIGRANTS
MNSCU-SOUTH CENTRAL COLLEGE 1920 LEE BLVD NORTH MANKATO, MN 56003	41-1687554	501(C)(3):SCHOOL	15,297.	0.			CET CAMP
MNSCU-MINNESOTA STATE UNIVERITY - MANKATO - 131 TRAFTON SCIENCE CENTER N - MANKATO, MN 56001	41-1687554	501(C)(3):SCHOOL	20,000.	0.			RENEWABLE ENERGY & EMISSION LAB
ISD #2071: LAKE CRYSTAL WELLCOME MEMORIAL - 607 KNIGHTS LN - LAKE CRYSTAL, MN 56055	41-1680296	501(C)(3):SCHOOL	21,500.	0.			EARLY CHILDHOOD INITIATIVE
MNSCU-SOUTH CENTRAL COLLEGE 1920 LEE BLVD NORTH MANKATO, MN 56003	41-1687554	501(C)(3):SCHOOL	25,000.	0.			ENGAGING LEARNERS OVER 50
NORTHFIELD ARTS GUILD 304 DIVISION ST NORTHFIELD, MN 55057	41-6051879	501(C)(3)	8,000.	0.			RIVERWALK MARKET FAIRE

SCHEDULE I-1 (Form 990)
Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule I (Form 990)
▶ Attach to Form 990 to list additional information for Schedule I (Form 990), Part II or Part III.

OMB No 1545-0047
2009
Open to Public Inspection

Name of the organization
SOUTHERN MINNESOTA INITIATIVE FOUNDATION

Employer identification number
36-3454285

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the United States (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
SEMCAC INCORPORATED 1756 KRAEMER DR. SUITE 210 WINONA, MN 55987	41-0907135	501(C)(3)	0.	6,484.	FMV	BOOKS	BOOKSTART PROGRAM
REGION NINE DEVELOPMENT COMMISSION 1961 PREMIER DR STE 268 MANKATO, MN 56001	06-1666219	GOVERNMENT	20,000.	0.			RENEWABLE ENERGY INVENTORIES
MAIN STREET PROJECT PO BOX 80066 MINNEAPOLIS, MN 55408	20-1788275	501(C)(3)	20,000.	0.			AGRIPRENEUR TRAINING 2.0
UNITED WAY OF FARIBAULT 948 CARLTON AVE FARIBAULT, MN 55021	41-6027744	501(C)(3)	0.	5,385.	FMV	BOOKS	BOOKSTART PROGRAM
EAGLES #737 917 15TH AVE SE ROCHESTER, MN 55904	41-1419117	501(C)(3)	32,945.	0.			5TH DISTRICT EAGLES CANCER TELETHON
CITY OF RUSHFORD 101 MILL ST N RUSHFORD, MN 55971-0430	41-6005505	GOVERNMENT	9,200.	0.			CREEKSIDE PARK & PLAYGROUND
CITY OF SPRING VALLEY 201 BROADWAY S SPRING VALLEY, MN 55975	41-6005554	GOVERNMENT	19,500.	0.			COMMUNITIES OF A LIFETIME
RUSHFORD AREA CHAMBER OF COMMERCE PO BOX 338 RUSHFORD, MN 55971	75-3030575	501(C)(6)	15,000.	0.			DESTINATION DEVELOPMENT WORKSHOP

SCHEDULE I-1
(Form 990)
Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule I (Form 990)
▶ **Attach to Form 990 to list additional information for Schedule I (Form 990), Part II or Part III.**

OMB No 1545-0047
2009
Open to Public Inspection

Name of the organization
SOUTHERN MINNESOTA INITIATIVE FOUNDATION

Employer identification number
36-3454285

Part I **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
MOBILIZE MONTGOMERY 206 1ST ST S MONTGOMERY, MN 56069	41-1724371	501(C)(3)	5,000.	0.			EARLY CHILDHOOD INITIATIVE
UNITED WAY OF FARIBAULT 24 DIVISION ST W STE B FARIBAULT, MN 55021	41-6027744	501(C)(3)	5,000.	0.			EARLY CHILDHOOD INITIATIVE
WASECA PUBLIC SCHOOLS 501 ELM AVE E WASECA, MN 56093-3044	41-6008759	501(C)(3):SCHOOL	21,500.	0.			EARLY CHILDHOOD INITIATIVE
WINONA COUNTY 177 MAIN ST WINONA, MN 55987	41-6005926	GOVERNMENT	20,000.	0.			LANDFILL METHANE COLLECTION/GREENHOUSES

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

Schedule I-1 (Form 990) 2009

932241 02-01-10

Part IV Supplemental Information

DEMONSTRATING DOLLARS WERE SPENT ACCORDING TO THE GUIDELINES THE FOUNDATION SET FORTH.

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 SOUTHERN MINNESOTA INITIATIVE FOUNDATION

Employer identification number 36-3454285

Part I Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.		
	☐ First-class or charter travel ☐ 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)		
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		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan? . . 4b		X
c	Participate in, or receive payment from, an equity-based compensation arrangement? . . 4c		X
	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		X
b	Any related organization? . . 5b		X
	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		X
b	Any related organization? . . 6b		X
	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		X
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		X
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 II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use Schedule J-1 if additional space is needed.

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
TIMOTHY PENNY	(i)	152,179.	0.	0.	6,752.	9,490.	168,421.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

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.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization: SOUTHERN MINNESOTA INITIATIVE FOUNDATION

Employer identification number: 36-3454285

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				
2	Art - Historical treasures				
3	Art - Fractional interests				
4	Books and publications	X		176,430.	FMV
5	Clothing and household goods				
6	Cars and other vehicles				
7	Boats and planes				
8	Intellectual property				
9	Securities - Publicly traded				
10	Securities - Closely held stock				
11	Securities - Partnership, LLC, or trust interests				
12	Securities - Miscellaneous				
13	Qualified conservation contribution - Historic structures				
14	Qualified conservation contribution - Other				
15	Real estate - Residential				
16	Real estate - Commercial				
17	Real estate - Other				
18	Collectibles				
19	Food inventory				
20	Drugs and medical supplies				
21	Taxidermy				
22	Historical artifacts				
23	Scientific specimens				
24	Archeological artifacts				
25	Other ▶ (COMPUTERS)	X	39	92,831.	FMV
26	Other ▶ (PAINT)	X	543	12,489.	FMV
27	Other ▶ (MISC SUPPLIES)	X	1	1,627.	FMV
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 Acknowledgment . . . 29

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

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.

OMB No 1545-0047
2009
Open to Public Inspection

Name of the organization
SOUTHERN MINNESOTA INITIATIVE FOUNDATION

Employer identification number
36-3454285

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:
BUSINESSES IN THE 20 COUNTY REGION TO CREATE ECONOMIC GROWTH BY LEVERAGING PARTNERSHIPS AND COLLABORATIONS.

FORM 990, PART VI, SECTION A, LINE 4: CHANGES ARE BASED ON ALIGNING THE ACTIONS OF OFFICERS OF THE BOARD AND OFFICERS OF THE CORPORATION TO COMPLY WITH NEW IRS REGULATIONS AND TO ELIMINATE SOME MINOR OUT OF DATE ITEMS.

FORM 990, PART VI, SECTION B, LINE 11: THE FINANCE COMMITTEE WILL REVIEW THE 990 PRIOR TO FILING AND PRESENT TO THE BOARD FOR FULL APPROVAL.

FORM 990, PART VI, SECTION B, LINE 12C: EACH BOARD MEMBER IS REQUIRED TO SIGN A CONFLICT OF INTEREST FORM YEARLY. ALL BOARD AND COMMITTEE MEETINGS BEGIN WITH THE CONFLICT OF INTEREST STATEMENT "ASKING THE BOARD AS A WHOLE IF THERE ARE ANY CONFLICTS OF INTERESTS." THE EXECUTIVE COMMITTEE MONITORS ANY CONFLICTS ON AN ON-GOING BASIS.

FORM 990, PART VI, SECTION B, LINE 15: THE FOUNDATION USES BENCHMARK INFORMATION TO DETERMINE COMPENSATION OF EMPLOYEES. THE BENCHMARK INFORMATION IS PULLED FROM SIMILAR NON-PROFITS, NATIONAL FOUNDATION SURVEYS, AND BUSINESS SALARY REPORTS. THE BOARD SETS THE COMPENSATION OF THE PRESIDENT WITH REVIEW AND APPROVAL BY THE EXECUTIVE COMMITTEE. THE REMAINING STAFF SALARIES ARE APPROVED BY LEADERSHIP TEAM WITH AT LEAST TWO OTHER MEMBERS SIGNING OFF ON ALL APPROVALS. THE FINANCE COMMITTEE AND BOARD APPROVES THE OVERALL ALLOCATION FOR SALARIES AND MONITORS THIS THROUGHOUT THE YEAR. ALL INCREASES ARE DONE ANNUALLY FOR ALL EMPLOYEES.

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.

OMB No 1545-0047
2009
Open to Public Inspection

Name of the organization: SOUTHERN MINNESOTA INITIATIVE FOUNDATION

Employer identification number: 36-3454285

FORM 990, PART VI, SECTION C, LINE 19: INFORMATION IS GIVEN ON OUR WEBSITE FOR REQUESTS AND THE CFO WILL MAKE ANY DOCUMENTS AVAILABLE UPON REQUEST.

FORM 990, PAGE 12, PART XI LINE 2C:

THE FINANCE COMMITTEE APPROVES AND MANAGES THE AUDITOR SELECTION AND PROCESS YEARLY. THE FOUNDATION COMMITTEE MEETS WITH THE AUDITOR PRIOR TO ENGAGEMENT TO ANSWER ANY QUESTIONS OR CONCERNS RELATED TO THE UPCOMING AUDIT, AT THAT POINT THE FINANCE COMMITTEE APPROVES THE AUDITOR SELECTION FOR THE YEAR. THE COMMITTEE WILL THEN HAVE ON-GOING COMMUNICATION WITH THE AUDIT TEAM AS NECESSARY AND WILL MEET WITH THE AUDITOR UPON COMPLETION OF THE AUDIT FOR REVIEW AND FINAL APPROVAL OF THE AUDIT REPORT. THE BOARD WILL ALSO, REVIEW AND MEET WITH THE AUDITOR AFTER THE AUDIT IS COMPLETED.