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Form 990

OMB No 1545-0047

Department of the Treasury
Internal Revenue Service

2010

Open to Public
InspectionFiling Date
11 AUG 2011

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

A For the 2010 calendar year, or tax year beginning

, and ending

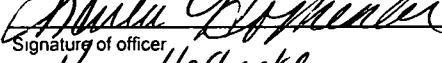
B Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization Farmers Educational & Cooperative Union			D Employer identification number 46-0132880	
	Doing Business As South Dakota Farmers Union			E Telephone number 605 352-6761	
	Number and street (or P O box if mail is not delivered to street address) 1410 Dakota Avenue S.			F City or town, state or country, and ZIP + 4 HURON SD 57350	
	G Gross receipts \$ 633,485			H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	I Tax-exempt status <input type="checkbox"/> 501(c)(3) <input checked="" type="checkbox"/> 501(c) (5) (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No	
				If "No," attach a list (see instructions)	
J Website: ► www.sdfu.org					
K Form of organization. <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ►				L Year of formation	M State of legal domicile SD

Part I Summary

Revenue GAINING Activities & Governance	1 Briefly describe the organization's mission or most significant activities: To promote and represent agricultural interests of our members		
	2 Check this box ► <input type="checkbox"/> 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 10	
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4 8	
	5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5 0	
	6 Total number of volunteers (estimate if necessary)	6	
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a 309,869	
	b Net unrelated business taxable income from Form 990-T, line 34	7b 140,667	
		Prior Year	Current Year
	8 Contributions and grants (Part VIII, line 1h)	135,841	88,229
	9 Program service revenue (Part VIII, line 2g)	161,302	240,310
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	335	355
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,017,367	304,591	
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,314,845	633,485	
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0	0
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	571,459	505,502
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ►	0	0
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24)	567,331	618,277
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) ►	1,138,790	1,123,779
Net Assets or Fund Balances	19 Revenue less expenses. Subtract line 18 from line 12	176,055	-490,294
		Beginning of Current Year	End of Year
	20 Total assets (Part X, line 16)	6,335,969	7,737,851
	21 Total liabilities (Part X, line 26)	793,767	815,966
22 Net assets or fund balances. Subtract line 21 from line 20	5,542,202	6,921,885	

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		8-10-11
	Signature of officer Sarah Hennenke	Date CFO
	Type or print name and title CFO	

Paid Preparer's Use Only	Print/Type preparer's name Russell Barnhart	Preparer's signature Russell Barnhart	Date 8/4/2011	Check <input type="checkbox"/> if self-employed	PTIN P00100161
	Firm's name ► Hennen and Associates, PLC	Firm's EIN ►			
	Firm's address ► 230 Hardman Ave S, So St Paul, MN 55075	Phone no (651) 255-3200			

May the IRS discuss this return with the preparer shown above? (see instructions)

 Yes NoFor Paperwork Reduction Act Notice, see the separate instructions.
(HTA)

Form 990 (2010)

NE 10 G13

Part III**Statement of Program Service Accomplishments**Check if Schedule O contains a response to any question in this Part III.

1 Briefly describe the organization's mission:

To promote and represent agricultural interests of our members and provide educational opportunities relating to agriculture.

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 \$ 0 including grants of \$ 0) (Revenue \$ 0)

To promote and represent the interests of our membership which is comprised of rural farm communities, by providing information and education on issues relative to agriculture thorough various formats so that our members, the general public and our policymakers have a clear understanding of agricultural issues and the effect they have on rural farm communities.

4b (Code:) (Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)

4c (Code:) (Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)

4d Other program services. (Describe in Schedule O.)

(Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)

4e Total program service expenses ► 0

Part IV Checklist of Required Schedules

1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A

2 Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions)

3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I

4 **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II

5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III

6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I

7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II

8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III

9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV

10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V

11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable

a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.

b 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.

c 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.

d 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.

e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.

f 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 (ASC 740)? If "Yes," complete Schedule D, Part X.

12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII.

b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional

13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

14a Did the organization maintain an office, employees, or agents outside of the United States?

b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Parts I and IV

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, Parts II and IV

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, Parts III and IV

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 (see instructions)

18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II

19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III

20a Did the organization operate one or more hospitals? If "Yes," complete Schedule H

b If "Yes" to line 20a, did the organization attach its audited financial statements to this return? **Note.** Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)

	Yes	No
1		X
2	X	
3		X
4		
5	X	
6		X
7		X
8		X
9		X
10		X
11a	X	
11b		X
11c	X	
11d		X
11e	X	
11f	X	
12a		X
12b	X	
13		X
14a	X	
14b		X
15		X
16		X
17		X
18		X
19		X
20a	X	
20b		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	X
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	X
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	
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	
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 (or a family member thereof) 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)?	35	X
a	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		X Yes <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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	
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 ComplianceCheck if Schedule O contains a response to any question in this Part V.

1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. **1a**

b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable. **1b**

c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? **1c**

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**

b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **2b**

Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)

3a Did the organization have unrelated business gross income of \$1,000 or more during the year? **3a**

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**

b If "Yes," enter the name of the foreign country: ► See instructions for 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**

b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? **5b**

c If "Yes" to line 5a or 5b, did the organization file Form 8886-T? **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**

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**

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**

d If "Yes," indicate the number of Forms 8282 filed during the year. **7d**

e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? **7e**

f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **7f**

g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? **7g**

h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? **7h**

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**

9 **Sponsoring organizations maintaining donor advised funds.**

a Did the organization make any taxable distributions under section 4966? **9a**

b Did the organization make a distribution to a donor, donor advisor, or related person? **9b**

10 **Section 501(c)(7) organizations.** Enter:

a Initiation fees and capital contributions included on Part VIII, line 12. **10a**

b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities. **10b**

11 **Section 501(c)(12) organizations.** Enter:

a Gross income from members or shareholders. **11a**

b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) **11b**

12a **Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041? **12a**

b If "Yes," enter the amount of tax-exempt interest received or accrued during the year. **12b**

13 **Section 501(c)(29) qualified nonprofit health insurance issuers.**

a Is the organization licensed to issue qualified health plans in more than one state? **13a**

Note. See the instructions for additional information the organization must report on Schedule O.

b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans. **13b**

c Enter the amount of reserves on hand. **13c**

14a Did the organization receive any payments for indoor tanning services during the tax year? **14a**

b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O. **14b**

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.

Check if Schedule O contains a response to any question in this Part VI.

Section A. Governing Body and Management

1a Enter the number of voting members of the governing body at the end of the tax year. **1a** 10
 b Enter the number of voting members included in line 1a, above, who are independent. **1b** 8

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 governing documents since the prior Form 990 was filed? **4** X

5 Did the organization become aware during the year of a significant 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.)

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** X

11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? **11a** X
 b Describe in Schedule O the process, if any, used by the organization to review this Form 990. **12a** X

12a Does the organization have a written conflict of interest policy? If "No," go to line 13. **12b** X
 b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? **12c** 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. **13** X

13 Does the organization have a written whistleblower policy? **14** X

14 Does the organization have a written document retention and destruction policy? **15** 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** X
 c Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? **16b** X
 d 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** X

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ►

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

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

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► South Dakota Farmers Union 605 352-6761
 PO Box 1388, Huron, SD 57350

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

 Check if Schedule O contains a response to any question in this Part VII
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.

- 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, if any. 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 neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(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			
(1) Doug Sombke President	40.	X		X		X	70,635	0	0
(2) Wayne Soren Vice President	0.3	X		X			0	0	0
(3) Karla Hofhenke Secretary	40	X		X			59,730	0	0
(4) Dallas Basel Director	0.3	X					0	0	0
(5) Brad Reis Director	0.3	X					0	0	0
(6) Jerry Petik Director	0.3	X					0	0	0
(7) Terry Sestak Director	0.3	X					0	0	0
(8) Franklin Olson Director	0.3	X					0	0	0
(9) John Sumption Director	0.3	X					0	0	0
(10) James Wahle Director	0.3	X					0	0	0
(11)									
(12)									
(13)									
(14)									
(15)									
(16)									

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)							
(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(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			
(17)							
(18)							
(19)							
(20)							
(21)							
(22)							
(23)							
(24)							
(25)							
(26)							
(27)							
(28)							
1b Sub-total ►					130,365	0	0
c Total from continuation sheets to Part VII, Section A ►					0	0	0
d Total (add lines 1b and 1c) ►					130,365	0	0
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 ►				0			
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	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3		<input checked="" type="checkbox"/>	
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	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4		<input checked="" type="checkbox"/>	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5		<input checked="" type="checkbox"/>	
Section B. Independent Contractors							
1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.							
(A) Name and business address				(B) Description of services		(C) Compensation	
						0	
						0	
						0	
						0	
						0	
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		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 0			
	b Membership dues	1b 49,433			
	c Fundraising events	1c 0			
	d Related organizations	1d 0			
	e Government grants (contributions)	1e 0			
	f All other contributions, gifts, grants, and similar amounts not included above	1f 38,796			
	g Noncash contributions included in lines 1a-1f	\$ 0			
	h Total. Add lines 1a-1f		► 88,229		
Program Service Revenue		Business Code			
	2a Convention Advertising	541800	21,234	4,000	17,234
	b Youth Camps	900099	140,761	140,761	
	c Booths at State Fair/Trade Shows	900099	40,000	40,000	
	d Rural Development Programs	900099	38,315	38,315	
	e		0		
	f All other program service revenue		0		
	g Total. Add lines 2a-2f		► 240,310		
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		355		355
	4 Income from investment of tax-exempt bond proceeds		0		
	5 Royalties		0		
	6a Gross Rents	(i) Real 12,439			
	b Less: rental expenses				
	c Rental income or (loss)	(ii) Personal 0			
	d Net rental income or (loss)		12,439	25	12,414
	7a Gross amount from sales of assets other than inventory	(i) Securities 0			
b Less: cost or other basis and sales expenses	(ii) Other 0				
c Gain or (loss)		0			
d Net gain or (loss)			0		
8a Gross income from fundraising events (not including \$ 0 of contributions reported on line 1c). See Part IV, line 18	a 0				
b Less: direct expenses	b 0				
c Net income or (loss) from fundraising events		► 0			
9a Gross income from gaming activities. See Part IV, line 19	a 0				
b Less: direct expenses	b 0				
c Net income or (loss) from gaming activities		► 0			
10a Gross sales of inventory, less returns and allowances	a 0				
b Less: cost of goods sold	b 0				
c Net income or (loss) from sales of inventory		► 0			
Miscellaneous Revenue		Business Code			
11a State Service & Crop Insurance Fees	524298	130,221		130,221	
b Management Fees	541800	150,000		150,000	
c		0		0	
d All other revenue		11,931	11,931		
e Total. Add lines 11a-11d		► 292,152			
12 Total revenue. See instructions		► 633,485	235,032	309,869	355

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	0			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	0			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	130,365			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	259,076			
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	0			
9 Other employee benefits	83,072			
10 Payroll taxes	32,989			
11 Fees for services (non-employees):				
a Management	0			
b Legal	7,878			
c Accounting	7,987			
d Lobbying	0			
e Professional fundraising services See Part IV, line 17	0			
f Investment management fees	225			
g Other	0			
12 Advertising and promotion	56,572			
13 Office expenses	61,066			
14 Information technology	10,303			
15 Royalties	0			
16 Occupancy	21,292			
17 Travel	52,285			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	29,240			
20 Interest	6,648			
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	52,115	0	0	0
23 Insurance	27,327			
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a Youth Camp Expenses	100,406			
b Organization Expense	49,087			
c Repairs and Maintenance	29,064			
d Printing/Publications	47,780			
e Rural Development Programs	47,168			
f All other expenses	11,834			
25 Total functional expenses. Add lines 1 through 24f .	1,123,779	0	0	0
26 Joint costs. Check here ► <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). 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	23,245	1 93,755
	2 Savings and temporary cash investments	3,370	2 3,557
	3 Pledges and grants receivable, net	0	3 0
	4 Accounts receivable, net	16,858	4 27,434
	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)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)	6	
	7 Notes and loans receivable, net	0	7 0
	8 Inventories for sale or use	8	
	9 Prepaid expenses and deferred charges	37,582	9 104,057
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 934,703	
	b Less: accumulated depreciation	10b 750,431	10c 188,160 184,272
	11 Investments—publicly traded securities	30,643	11 31,117
	12 Investments—other securities. See Part IV, line 11	0	12 0
	13 Investments—program-related. See Part IV, line 11	6,036,111	13 7,293,659
	14 Intangible assets	0	14 0
	15 Other assets. See Part IV, line 11	0	15 0
	16 Total assets. Add lines 1 through 15 (must equal line 34)	6,335,969	16 7,737,851
Liabilities	17 Accounts payable and accrued expenses	105,061	17 57,669
	18 Grants payable	18	
	19 Deferred revenue	212,823	19 267,310
	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	265,883	23 451,987
	24 Unsecured notes and loans payable to unrelated third parties	0	24 0
	25 Other liabilities. Complete Part X of Schedule D	210,000	25 39,000
	26 Total liabilities. Add lines 17 through 25	793,767	26 815,966
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.		
	27 Unrestricted net assets	4,559,920	27 6,001,377
	28 Temporarily restricted net assets	982,282	28 920,508
	29 Permanently restricted net assets	29	
	Organizations that do not follow SFAS 117, check here ► <input type="checkbox"/> 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.	5,542,202	33 6,921,885
	34 Total liabilities and net assets/fund balances.	6,335,969	34 7,737,851

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	633,485
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,123,779
3	Revenue less expenses. Subtract line 2 from line 1	3	-490,294
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	5,542,202
5	Other changes in net assets or fund balances (explain in Schedule O)	5	1,869,977
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	6,921,885

Part XII Financial Statements and ReportingCheck if Schedule O contains a response to any question in this Part XII

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?
2b Were the organization's financial statements audited by an independent accountant?
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.

d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both:
 Separate basis Consolidated basis Both consolidated and separate basis

3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

	Yes	No
1		
2a	X	
2b	X	
2c	X	
3a	X	
3b		

Supplemental Financial Statements

2010

Open to Public
Inspection

Name of the organization

Farmers Educational & Cooperative Union

Employer identification number

46-0132880

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? Yes No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? Yes No

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

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

Preservation of land for public use (e.g., recreation or education) Preservation of an historically important land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

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

	Held at the End of the Tax Year
2a	
2b	
2c	
2d	

a Total number of conservation easements

b Total acreage restricted by conservation easements

c Number of conservation easements on a certified historic structure included in (a)

d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register

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 (ASC 958), 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 (ASC 958), 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 (ASC 958) 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 <input type="checkbox"/> Public exhibition	d <input type="checkbox"/> Loan or exchange programs
b <input type="checkbox"/> Scholarly research	e <input type="checkbox"/> Other _____
c <input type="checkbox"/> Preservation for future generations	

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

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

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
1c	0
1d	
1e	
1f	0

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	0	0			
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	0	0	0		

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

a Board designated or quasi-endowment ► %
 b Permanent endowment ► %
 c Term endowment ► %

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

(i) unrelated organizations
 (ii) related organizations

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

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

	Yes	No
3a(i)		
3a(ii)		
3b		

Part VI 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	0	9,133		9,133
b Buildings	0	761,749	645,120	120,603
c Leasehold improvements	0	0	0	0
d Equipment	0	48,206	41,602	7,140
e Other	0	115,615	92,112	47,396

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c.)) ► 184,272

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
(1) Financial derivatives	0	
(2) Closely-held equity interests	0	
(3) Other	0	
(A)	0	
(B)	0	
(C)	0	
(D)	0	
(E)	0	
(F)	0	
(G)	0	
(H)	0	
(I)	0	
Total. (Column (b) must equal Form 990, Part X, col (B) line 12.) ►	0	

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
(1) Investments in Co-ops	1,469	C
(2) Farmers Union Enterprises	3,772,704	C
(3) Farmers Union Service Association	3,519,486	C
(4)	0	
(5)	0	
(6)	0	
(7)	0	
(8)	0	
(9)	0	
(10)	0	
Total. (Column (b) must equal Form 990, Part X, col (B) line 13.) ►	7,293,659	

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

(a) Description	(b) Book value
(1)	0
(2)	0
(3)	0
(4)	0
(5)	0
(6)	0
(7)	0
(8)	0
(9)	0
(10)	0
Total. (Column (b) must equal Form 990, Part X, col (B) line 15.) ►	0

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

(a) Description of liability	(b) Amount
(1) Federal income taxes	39,000
(2)	0
(3)	0
(4)	0
(5)	0
(6)	0
(7)	0
(8)	0
(9)	0
(10)	0
(11)	0
Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ►	39,000

2. FIN 48 (ASC 740) 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 (ASC 740).

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	633,485
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	1,123,779
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	-490,294
4	Net unrealized gains (losses) on investments	4	659
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	1,931,092
9	Total adjustments (net). Add lines 4 through 8	9	1,931,751
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	1,441,457

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	2,592,216
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	659
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	1,958,072
e	Add lines 2a through 2d	2e	1,958,731
3	Subtract line 2e from line 1	3	633,485
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	633,485

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

1	Total expenses and losses per audited financial statements	1	1,150,759
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	26,980
e	Add lines 2a through 2d	2e	26,980
3	Subtract line 2e from line 1	3	1,123,779
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	0
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	1,123,779

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 XI Line 8 Income Tax Expense (\$26,980)

Part XI Line 8 Equity Income from Investees \$1,896,298

Part XI Line 8 Additional Pension Income \$ 61,774 for accounting purposes only

Part XII Line 2d Additional Pension Income \$ 61,774 for accounting purposes only

Part XII Line 2d Equity Income from Investees \$1,896,298

Part XIII Line 2d Income Tax Expense \$ 26,980

Part X Line 2 The organization's income tax filings are subject to audit by various taxing

authorities and years ended December 31, 2007 to 2009 are open audit periods. Interest and

Part XIV **Supplemental Information (continued)**

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

OMB No. 1545-0047

2010

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

Name of the organization

Farmers Educational & Cooperative Union

Employer identification number

46-0132880

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
► Attach to Form 990 or 990-EZ.

Form 990 Part VI Section A Line 9 DOUG SOMBKE 40736 145 St., Conde, SD 57445

Form 990 Part VI Section A Line 9 WAYNE SOREN 21264 446 Ave Lake Preston, SD 57249

Form 990 Part VI Section A Line 9 JAMES WAHLE PO Box 17, Salem, SD 57058

Form 990 Part VI Section A Line 9 BRADLEY REIS 26737 318 Ave. Hamill, SD 57534

Form 990 Part VI Section A Line 9 JERRY PETIK 12750 212 Ave, Meadow, SD 57644

Form 990 Part VI Section A Line 9 JOHN SUMPTION 10953 390 Ave. Frederick, SD 57441

Form 990 Part VI Section A Line 9 DALLAS BASEL 16079 Minnehaha Place, Union Center, SD 57787

Form 990 Part VI Section A Line 9 FRANKLIN OLSON 42848 129th St., Pierpont, SD 57468

Form 990 Part VI Section A Line 9 TERRY SESTAK 30538 427 Ave, Tabor, SD 57063

Form 990 Part VI Section C Line 19 Financial statements are made available at the

organization's annual conference. Governing documents and financial statements are also

available upon request at the organization's headquarters or by mail.

Form 990 Part VI Section B Line 11B The full board of directors meets and approves the annual

audit and the officers of the board review and approve the income tax returns and verify the

tax return numbers agree to the audit report.

Form 990 Part VI Section B Line 12c Directors and key employees are annually required to

complete and sign a form showing potential conflicts of interest that is reviewed by the

organization and kept on file.

Form 990 Part XI Line 5 Income From Taxable Investee - 1,896,298, Unrealized Gain on

Investments - 659, less Income Tax Expense - (26,980)

Name of the organization

Farmers Educational & Cooperative Union

Employer identification number

46-0132880

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

Farmers Educational & Cooperative Union

Related Organizations and Unrelated Partnerships

OMB No. 1545-0047

2010

**Open to Public
Inspection**

► Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.

► Attach to Form 990.

► See separate Instructions.

Name of the organization

46-0132880

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

	(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)				0	0	
(2)				0	0	
(3)				0	0	
(4)				0	0	
(5)				0	0	
(6)				0	0	
(7)				0	0	

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

	(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?
(1)	South Dakota Farmers Union Foundation 46-0459143 1410 Dakota Ave S, Huron, SD 57350	Education opportunities SD	501(c)3	Line 9	N/A		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership by related entity?
									Yes	No	
(1)					0	0			0	0	%
(2)					0	0			0	0	%
(3)					0	0			0	0	%
(4)					0	0			0	0	%
(5)					0	0			0	0	%
(6)					0	0			0	0	%
(7)					0	0			0	0	%

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp., S corp., or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	
							Yes	No
(1) Farmers Union Service Association 46-0220690 1410 Dakota Ave, Huron, SD 57350	Insurance	SD	South Dakota C Corp	465,476	4,889,169	100.00%	0	0 %
(2)					0	0	0	0 %
(3)					0	0	0	0 %
(4)					0	0	0	0 %
(5)					0	0	0	0 %
(6)					0	0	0	0 %
(7)					0	0	0	0 %

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

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

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

- a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity
- b Gift, grant, or capital contribution to other organization(s)
- c Gift, grant, or capital contribution from other organization(s)
- d Loans or loan guarantees to or for other organization(s)
- e Loans or loan guarantees by other organization(s)
- f Sale of assets to other organization(s)
- g Purchase of assets from other organization(s)
- h Exchange of assets
- i Lease of facilities, equipment, or other assets to other organization(s)
- j Lease of facilities, equipment, or other assets from other organization(s)
- k Performance of services or membership or fundraising solicitations for other organization(s)
- l Performance of services or membership or fundraising solicitations by other organization(s)
- m Sharing of facilities, equipment, mailing lists, or other assets
- n Sharing of paid employees
- o Reimbursement paid to other organization for expenses
- p Reimbursement paid by other organization for expenses
- q Other transfer of cash or property to other organization(s)
- r Other transfer of cash or property from other organization(s)

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) Farmers Union Service Association	a	196,509	cash paid
(2) South Dakota Farmers Union Foundation	k	155,866	cash paid
(3)		0	
(4)		0	
(5)		0	
(6)		0	

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to Form 990, Part IV, line 37.)

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations?	(e) Share of end-of-year assets	(f) Disproportionate allocations?		(g) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?
					Yes	No		
(1).....				0			0	0
(2).....				0			0	0
(3).....				0			0	0
(4).....				0			0	0
(5).....				0			0	0
(6).....				0			0	0
(7).....				0			0	0
(8).....				0			0	0
(9).....				0			0	0
(10).....				0			0	0
(11).....				0			0	0
(12).....				0			0	0
(13).....				0			0	0
(14).....				0			0	0
(15).....				0			0	0
(16).....				0			0	0

Part VII

Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

Part VIII, Lines 1a-h (990) - Contributions, Gifts, Grants, and Other Amounts

		Cash	Noncash
1	Federated Campaigns	1	
2	Membership dues	2	49,433
3	Fundraising events	3	
4	Related organizations	4	
5	Government grants (contributions)	5	
6	All other contributions, gifts, grants, and similar amounts not included above:		
		14,609	
		8,804	
		9,630	
		5,753	
Other contributions total		6	38,796
7 Total		7	88,229

Part X, Line 4 (990) - Accounts Receivable

	1	Accounts receivable		Allowance for doubtful accounts	
		Beginning	End	Beginning	End
1 Receivables	1	16,858	27,434		
2	2				
3	3				
4	4				
5	5				
6	6				
7	7				
8	8				
9	9				
10	10				
11 Total accounts receivable	11	16,858	27,434	0	0

Part X, Lines 10a and 10b (990) - Land, Buildings, and Equipment

Category or Item	Land	Buildings	Leasehold Improvements	Equipment	Other	Check if Investment Asset	Check if Asset Disposed	Beginning Accumulated Depreciation	Ending Accumulated Depreciation	Disposals/Adjustments	Beginning Balance	Ending Balance
1 Land	X							9,133	0		9,133	9,133
2 Buildings/Equipment		X						757,775	622,720	641,146	3,974	120,605
3 Furniture/Fixtures			X					47,670	39,397	41,066	536	8,273
4 Vehicles				X				81,469	48,108	59,713	33,361	45,646
5 Land Improvements					X			10,253	7,915	8,506	2,338	1,747
6								0	0		0	0
7								0	0		0	0
8								0	0		0	0
9								0	0		0	0
10								0	0		0	0
11								0	0		0	0
12								0	0		0	0
13								0	0		0	0
14								0	0		0	0
15								0	0		0	0
16								0	0		0	0
17								0	0		0	0
18								0	0		0	0
19								0	0		0	0
20								0	0		0	0
21								0	0		0	0
22								0	0		0	0
23								0	0		0	0
24								0	0		0	0
25								0	0		0	0
26								0	0		0	0
27								0	0		0	0
28								0	0		0	0
29								0	0		0	0
30								0	0		0	0
31								0	0		0	0
32								0	0		0	0
33								0	0		0	0
34								0	0		0	0
35								0	0		0	0
36								0	0		0	0
37								0	0		0	0
38								0	0		0	0
39								0	0		0	0
40								0	0		0	0
41								0	0		0	0
42								0	0		0	0
43								0	0		0	0
44								0	0		0	0
45								0	0		0	0
46								0	0		0	0
47								0	0		0	0
48								0	0		0	0
49								0	0		0	0
50								0	0		0	0
51								0	0		0	0
								0	0		0	0

Part X, Lines 11 and 12 (990) - Investments - Securities

Check one box below to indicate how securities are reported:

Cost

End of year market value (FMV)

Part X, Lines 23 and 24 (990) - Secured and Unsecured Notes Payable

	Lender's name	Check if Unsecured	Balance due beginning of year	Balance due end of year
1	Farmers Union Enterprises		242,482	430,451
2	Dakotaland Federal Credit Union		23,401	21,536
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

265,883

451,987

Part X, Line 25 (990) - Other Liabilities

	Description	Beginning	210,000	39,000
		210,000		39,000
1	Federal income taxes			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				

Depreciation and Amortization

(Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service (99)

Name(s) shown on return	Business or activity to which this form relates	Identifying number
Farmers Educational & Cooperative Union	990	46-0132880

Part I Election To Expense Certain Property Under Section 179*Note: If you have any listed property, complete Part V before you complete Part I*

1 Maximum amount (see instructions)	1	500,000
2 Total cost of section 179 property placed in service (see instructions)	2	90,966
3 Threshold cost of section 179 property before reduction in limitation	3	2,000,000
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	0
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	500,000

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7 Listed property. Enter the amount from line 29	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	0
9 Tentative deduction. Enter the smaller of line 5 or line 8	9	0
10 Carryover of disallowed deduction from line 13 of your 2009 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	0
13 Carryover of disallowed deduction to 2011. Add lines 9 and 10, less line 12	13	0

*Note: Do not use Part II or Part III below for listed property. Instead, use Part V.***Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)**

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**Section A**

17 MACRS deductions for assets placed in service in tax years beginning before 2010	17	24,241
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		<input type="checkbox"/>

Section B - Assets Placed in Service During 2010 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19 a 3-year property		3,973	3	HY	SL	1,324
b 5-year property						
c 7-year property		536	7	HY	SL	77
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			27.5 yrs.	MM	S/L	
			39 yrs.	MM	S/L	
				MM	S/L	

Section C - Assets Placed in Service During 2010 Tax Year Using the Alternative Depreciation System

20 a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21 Listed property. Enter amount from line 28	21	26,473
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	22	52,115
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

(HTA)

Part V

Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		24b If "Yes," is the evidence written? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No						
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/ investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						25		
26 Property used more than 50% in a qualified business use:								
'04 Chevy/06 Chev van	2007/2008	100.00%	28,866	28,866	5	SL HY	5,773	
2007 Chev Impala	6/9/2009	100.00%	13,427	13,427	3	SL HY	4,476	
08 Chev trlblzr/tahoe	8/1/2010	100.00%	48,673	48,673	3	SL HY	16,224	
27 Property used 50% or less in a qualified business use:								
						S/L -		
						S/L -		
						S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1						28	26,473	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1						29	0	

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

30	Total business/investment miles driven during the year (do not include commuting miles)	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
		Yes	No										
31	Total commuting miles driven during the year												
32	Total other personal (noncommuting) miles driven												
33	Total miles driven during the year. Add lines 30 through 32												
34	Was the vehicle available for personal use during off-duty hours?												
35	Was the vehicle used primarily by a more than 5% owner or related person?												
36	Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

37	Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38	Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39	Do you treat all use of vehicles by employees as personal use?		
40	Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41	Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage		(f) Amortization for this year
42 Amortization of costs that begins during your 2010 tax year (see instructions):						
43 Amortization of costs that began before your 2010 tax year						
						43
44 Total. Add amounts in column (f). See the instructions for where to report						
						44