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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2010

Open to Public Inspection

A For the 2010 calendar year, or tax year beginning 5/1/2010 , and ending 4/30/2011

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

C Name of organization: Covenant Network

Doing Business As:

Number and street (or P O box if mail is not delivered to street address): 4424 Hampton Ave

Room/suite:

City or town, state or country, and ZIP + 4: St. Louis MO 63109

D Employer identification number: 43-1768606

E Telephone number: (314) 752-7000

G Gross receipts $: 991,681

F Name and address of principal officer: John A Holman 5326 Cardinal Ridge Circle, Shrewsbury, MO 63119

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)

I Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ covenantnet net

H(c) Group exemption number ▶

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

L Year of formation: 1996

M State of legal domicile: MO

Part I Summary

1	Briefly describe the organization's mission or most significant activities: To Evangelize and teach the Catholic Faith primarily through radio Most significant activities are Catholic programming through ten full powered Catholic radio stations and nine translator stations		
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	3
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	0
5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	7
6	Total number of volunteers (estimate if necessary)	6	30
7a	Total 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)	800,796	890,177
9	Program service revenue (Part VIII, line 2g)	58,261	60,854
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	5,767	16,713
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	4,301	3,599
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	869,125	971,343
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	5,350	6,150
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)	215,871	222,364
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 88,180		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	550,465	570,596
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	771,686	799,110
19	Revenue less expenses Subtract line 18 from line 12	97,439	172,233

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	2,614,658	2,693,500
21	Total liabilities (Part X, line 26)	1,254,939	1,161,548
22	Net assets or fund balances Subtract line 21 from line 20	1,359,719	1,531,952

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: 12/15/11

▶ John Anthony Holman, President
Type or print name and title

Paid Preparer's Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☒ if self-employed	PTIN
Deborah Lewis	Deborah Lewis	12/13/2011		P00964848

Firm's name ▶ Deborah A. Lewis, CPA, MBA — Firm's EIN ▶ 43-1724322

Firm's address ▶ 1701 Fairfax Circle, Barnhart, MO 63012 — Phone no (636) 464-1845

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

14 of

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 evanglize and teach the Catholic Faith primarily through radio

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 $ 560,756 including grants of $ 0) (Revenue $ 0)

Operating expenses for ten full power Catholic radio stations and nine translator stations which are part of the Covenant Network and to a lesser extent distribution of materials to share and teach the Catholic faith Unknown number of listeners served for 19 areas covered.

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** ▶ 560,756

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? (see instructions)	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, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		X
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*	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	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*	11a	X	
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*	11b		X
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*	11c		X
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*	11d		X
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	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*	11f		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*	12a	X	
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*	12b		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, Parts I and IV*	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, Parts II and IV*	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, Parts III and IV*	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 (see instructions)*	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
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a		X
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)	20b		

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 (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* ☐ Yes ☒ 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		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**

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	26		
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		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	7		
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.* (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?	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 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			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?	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		X	
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 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	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? .	7g		X	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	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			
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			X
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 . . . . . [X]

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year . . .	1a	3		
b	Enter the number of voting members included in line 1a, above, who are independent . . .	1b	0		
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.)*

			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		
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	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 ► IL

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 [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: ► Joe Adams (314) 752-7000
4424 Hampton Ave., St. Louis, MO 63109

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 employee	Former			
(1) John A. Holman Pres/Gen Mgr	41.	X		X				49,743	0	20,693
(2) Teresa Holman Secretary/Assistant Mgr.	22.6	X		X				16,902	0	0
(3) Tammy Keppner Treasurer	0.1	X		X				0	0	0
(4)										
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										
(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	Key employee	Highest compensated employee	Former			
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
(26)										
(27)										
(28)										
1b **Sub-total** ▶								66,645	0	20,693
c **Total from continuation sheets to Part VII, Section A** ▶								0	0	0
d **Total (add lines 1b and 1c)** ▶								66,645	0	20,693

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

		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 or individual 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.

(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

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	0				
	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	890,177				
	g Noncash contributions included in lines 1a-1f: $ 7,766						
	h **Total.** Add lines 1a–1f			890,177			
Program Service Revenue		**Business Code**					
	2a Announcement Income	900099		60,854	60,854		
	b			0			
	c			0			
	d			0			
	e			0			
	f All other program service revenue			0			
	g **Total.** Add lines 2a–2f			60,854			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			6,807	6,807		
	4 Income from investment of tax-exempt bond proceeds			0			
	5 Royalties			0			
		(i) Real	(ii) Personal				
	6a Gross Rents	3,500					
	b Less rental expenses						
	c Rental income or (loss)	3,500	0				
	d Net rental income or (loss)			3,500	3,500		
		(i) Securities	(ii) Other				
	7a Gross amount from sales of assets other than inventory	11,660	18,584				
	b Less: cost or other basis and sales expenses	11,185	9,153				
	c Gain or (loss)	475	9,431				
	d Net gain or (loss)			9,906	9,906		
	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 discount			99	99		
	b			0			
	c			0			
	d All other revenue			0			
	e **Total.** Add lines 11a–11d			99			
	12 **Total revenue.** See instructions			971,343	81,166	0	0

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	6,150	6,150		
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	73,480	7,348	47,740	18,392
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	105,086	51,405	41,564	12,117
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	0			
9 Other employee benefits	30,548	6,532	16,366	7,650
10 Payroll taxes	13,250	4,457	6,509	2,284
11 Fees for services (non-employees):				
a Management	0			
b Legal	7,351		7,351	
c Accounting	7,200		7,200	
d Lobbying	0			
e Professional fundraising services. See Part IV, line 17	0			
f Investment management fees	0			
g Other	28,069	28,069		
12 Advertising and promotion	2,489	2,489		
13 Office expenses	100,945	56,884	16,528	27,533
14 Information technology	5,260	4,839	421	
15 Royalties	0			
16 Occupancy	132,994	124,729	4,133	4,132
17 Travel	19,104	19,104		
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	18,284	2,212		16,072
20 Interest	70,946	70,946		
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	128,852	128,852	0	0
23 Insurance	27,712	25,762	1,950	
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 Licenses & Permits	18,207	18,142	65	
b Dues & Subscriptions	1,680	1,680		
c Miscellaneous	1,503	1,156	347	
d	0			
e	0			
f All other expenses	0			
25 **Total functional expenses.** Add lines 1 through 24f	799,110	560,756	150,174	88,180
26 **Joint costs.** Check here ▶ ☐ 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	53,617	21,401	294	31,922

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		125,864	1	120,269
	2	Savings and temporary cash investments		1,066,593	2	1,241,862
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		0	4	0
	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			9	
	10a	Land, buildings, and equipment cost or other basis. Complete Part VI of Schedule D	10a 2,774,917			
	b	Less: accumulated depreciation	10b 1,446,928	1,415,402	10c	1,327,989
	11	Investments—publicly traded securities		5,909	11	2,490
	12	Investments—other securities. See Part IV, line 11		0	12	0
	13	Investments—program-related See Part IV, line 11		0	13	0
	14	Intangible assets			14	
	15	Other assets. See Part IV, line 11		890	15	890
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		2,614,658	16	2,693,500
Liabilities	17	Accounts payable and accrued expenses			17	
	18	Grants payable			18	
	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		1,243,846	23	1,153,601
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	25	Other liabilities. Complete Part X of Schedule D		11,093	25	7,947
	26	**Total liabilities.** Add lines 17 through 25		1,254,939	26	1,161,548
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☐ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets			27	
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		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		1,359,719	32	1,531,952
	33	Total net assets or fund balances		1,359,719	33	1,531,952
	34	Total liabilities and net assets/fund balances		2,614,658	34	2,693,500

Part XI Reconciliation of Net Assets

Check 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	971,343
2	Total expenses (must equal Part IX, column (A), line 25)	2	799,110
3	Revenue less expenses. Subtract line 2 from line 1	3	172,233
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	1,359,719
5	Other changes in net assets or fund balances (explain in Schedule O)	5	
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	1,531,952

Part XII Financial Statements and Reporting

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

			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 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?	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

2010

Open to Public Inspection

Name of the organization	Employer identification number
Covenant Network	43-1768606

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?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
(A)									0
(B)									0
(C)									0
(D)									0
(E)									0
Total									0

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 or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						0
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf	0	0	0			0
3 The value of services or facilities furnished by a governmental unit to the organization without charge	0	0	0			0
4 **Total.** Add lines 1 through 3	0	0	0	0	0	0
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)						
6 **Public support.** Subtract line 5 from line 4.						0

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4	0	0	0	0	0	0
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						0
9 Net income from unrelated business activities, whether or not the business is regularly carried on						0
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	0					0
11 **Total support.** Add lines 7 through 10						0

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

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 2010 (line 6, column (f) divided by line 11, column (f))	**14**	0 00%
15	Public support percentage from 2009 Schedule A, Part II, line **14**	**15**	0.00%

16a **33 1/3% support test–2010.** 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–2009.** 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–2010.** 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–2009.** 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 or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	938,320	756,912	696,217	800,796	890,877	4,083,122
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	79,158	57,089	49,064	58,261	58,954	302,526
3 Gross receipts from activities that are not an unrelated trade or business under section 513						0
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf	0					0
5 The value of services or facilities furnished by a governmental unit to the organization without charge	0					0
6 **Total.** Add lines 1 through 5	1,017,478	814,001	745,281	859,057	949,831	4,385,648
7a Amounts included on lines 1, 2, and 3 received from disqualified persons	225,100	25,000	40,000	119,847	179,100	589,047
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	3,344	5,896	9,524	5,452	4,796	29,012
c Add lines 7a and 7b	228,444	30,896	49,524	125,299	183,896	618,059
8 **Public support** (Subtract line 7c from line 6)						3,767,589

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6	1,017,478	814,001	745,281	859,057	949,831	4,385,648
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	15,232	41,064	28,459	18,224	10,307	113,286
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						0
c Add lines 10a and 10b	15,232	41,064	28,459	18,224	10,307	113,286
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						0
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)	89	85	100	101	99	474
13 **Total support.** (Add lines 9, 10c, 11, and 12)	1,032,799	855,150	773,840	877,382	960,237	4,499,408

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 2010 (line 8, column (f) divided by line 13, column (f))	15	83 74%
16	Public support percentage from 2009 Schedule A, Part III, line 15	16	84.60%

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2010** (line 10c, column (f) divided by line 13, column (f))	17	2 52%
18	Investment income percentage from **2009** Schedule A, Part III, line 17	18	2 57%

19a **33 1/3% support tests–2010.** 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–2009.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

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

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

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

2010

Open to Public Inspection

Name of the organization	Employer identification number
Covenant Network	43-1768606

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
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, and not on a historic structure listed in the National Register	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 (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 ☐ 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 the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21

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

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

		Amount
c Beginning balance	1c	0
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	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:

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
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 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	244,781		244,781
b Buildings	0	300,019	33,012	267,007
c Leasehold improvements	0	0	0	0
d Equipment	0	1,045,230	782,362	262,868
e Other	0	1,184,887	631,554	553,333
Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				1,327,989

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)	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 13)* ▶	0	

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.

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	0
(2) Credit Cards & Payroll Liabilities	7,947
(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)* ▶	7,947

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	971,343
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	799,110
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	172,233
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
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	0
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	172,233

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	971,343
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV.)	2d			
e	Add lines **2a** through **2d**			2e	0
3	Subtract line **2e** from line **1**			3	971,343
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	971,343

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

1	Total expenses and losses per audited financial statements			1	799,110
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	799,110
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	799,110

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 XIV Supplemental Information *(continued)*

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" to Form 990, Part IV, line 21 or 22.

▶ Attach to Form 990.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization

Covenant Network

Employer identification number

43-1768606

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. Part II can be duplicated if additional space is needed . . . . . ▶ [X]

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
(1)			0	0			
(2)			0	0			
(3)			0	0			
(4)			0	0			
(5)			0	0			
(6)			0	0			
(7)			0	0			
(8)			0	0			
(9)			0	0			
(10)			0	0			
(11)			0	0			
(12)			0	0			

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

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

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. Part III can be duplicated 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
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		

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

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization	Employer identification number
Covenant Network	43-1768606

Form 990 Part VI Section A Line 2 Family relationhip therefore not independent

Form 990 Part VI Section B Line 11a Governing Body receives a copy to review Form 990 and Audit

Form 990 Part VI Section B Line 12c Annually contacts officers, director, key employees for conflict of interest through a written questionaire

Form 990 Part VI Section B Line 15a Members of the finance committee compares salaries with comparable positions of other organizations. Teresa M. Holman is an uncompensated director of Covenant Network and a part-time assistant general manager. Her compensation as an assistant general manager has not been reviewed by the finance committee of Covenant Network. Presently, she works part-time and is paid only $14 per hour which is significantly below comparable positions. In the future if her compensation changes or is converted to a salary form of compensation the finance committee, or its successors, will review her compensation in accordance with criteria set forth in IRS Form 990 and accompanying instructions.

Form 990 Part VI Section C Line 19 Governing documents, conflict of interest policy and financial statements are made available to the public upon request

Name of the organization	Employer identification number
Covenant Network	43-1768606

Form **8868**
(Rev January 2011)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box . . . . . ▶ [X]
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing *(e-file).* You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit *www.irs gov/efile* and click on *e-file for Charities & Nonprofits.*

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only . . . . . ▶ [ ]

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print	Name of exempt organization	Employer identification number
File by the due date for filing your return See instructions	Covenant Network	43-1768606
	Number, street, and room or suite no If a P O box, see instructions 4424 Hampton Ave	
	City, town or post office, state, and ZIP code For a foreign address, see instructions St Louis MO 63109	

Enter the Return code for the return that this application is for (file a separate application for each return) 01

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ▶ Joe Adams

Telephone No. ▶ (314) 752-7000 FAX No ▶

- If the organization does not have an office or place of business in the United States, check this box . . . ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box . . . . . ▶ [ ]. If it is for part of the group, check this box. . . . . ▶ [ ] and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 12/15/2011, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ [ ] calendar year ____ or
▶ [X] tax year beginning 5/1/2010, and ending 4/30/2011.

2 If the tax year entered in line 1 is for less than 12 months, check reason [ ] Initial return [ ] Final return [ ] Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	$
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	3b	$
c	**Balance due.** Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c	$ 0

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

Item F (990) - Name and Address of Principal Officer

Name			Phone Number
John A. Holman			
Address			Foreign Country
5326 Cardinal Ridge Circle			
City, Town, or Post Office	State	Zip Code	Check ("X") if a business
Shrewsbury	MO	63119	☐

Item M (990) - State of Legal Domicile

State	Foreign Country
MO	

Part VI, Line 17 (990) - States with Which a Copy of this Form 990 is Required to be Filed

	Armed Forces the Americas		Louisiana		Palau
	Armed Forces Europe		Massachusetts		Rhode Island
	Alaska		Maryland		South Carolina
	Alabama		Maine		South Dakota
	Armed Forces Pacific		Marshall Islands		Tennessee
	Arkansas		Michigan		Texas
	American Samoa		Minnesota		Utah
	Arizona		Missouri		Virginia
	California		Commonwealth of the Northern Mariana Islands		U S. Virgin Islands
	Colorado		Mississippi		Vermont
	Connecticut		Montana		Washington
	District of Columbia		North Carolina		Wisconsin
	Delaware		North Dakota		West Virginia
	Florida		Nebraska		Wyoming
	Federated States of Micronesia		New Hampshire		
	Georgia		New Jersey		
	Guam		New Mexico		
	Hawaii		Nevada		
	Iowa		New York		
	Idaho		Ohio		
X	Illinois		Oklahoma		
	Indiana		Oregon		
	Kansas		Pennsylvania		
	Kentucky		Puerto Rico		

Line 2 (4797) - Section 1231 transactions

1	From Form 8824	1	0
2	From K-1 (1120S)	2	0
3	From K-1 (1065)	3	0
4	Basis adjustment	4	0
5	At-Risk adjustment	5	0
6	PAL adjustment	6	0
7	PTP adjustment	7	0
8	Total from Continuation pages	8	0
9		9	
10		10	
11		11	
12	Total	12	0

Line 10 (4797) - Ordinary Gains and Losses

1	From Form 8824	1	0
2	From Form 6252 - Installment Sale Income	2	0
3	From K-1 (1120S)	3	0
4	From K-1 (1065)	4	0
5	Basis adjustment	5	0
6	At-Risk adjustment	6	0
7	PAL adjustment	7	0
8	PTP adjustment	8	0
9	Total from Continuation pages	9	0
10		10	
11		11	
12	Total	12	0

Form 4562 Statement - 990

4/30/2011

Item No	Description of Property	Date Placed In Service	Asset Code	Bus Use %	Cost or Other Basis	Sec 179 Deduction	Credit	Special Allowance	Salvage Value	Recovery Basis	Recovery Period	Method	Con-vention Code	Prior Accum Deprec , 179, Bonus	2010 Deprec	2010 Accum Deprec
	Broadcast Software	6/9/2008	F-1	100 00%	603	0	0	0		603	3	SL	FM	385	201	586
55	WHIM/WOLG Transmitter	7/28/2003	F-10	100 00%	1,522	0	0	0	0	1,522	7	200DB	HY	1,454	68	1,522
	WRYT Telos Dual Hybrid	6/1/2004	F-10	100 00%	1,602	0	0	0	0	1,602	7	200DB	HY	1,387	143	1,530
	WRMS Building & Tower	7/28/2004	R-5	100 00%	40,734	0	0	0	0	40,734	39	SL/GDS	MM	6,048	1,044	7,092
	WRMS Equipment	7/28/2004	F-11	100 00%	84,395	0	0	0	0	84,395	7	200DB	HY	73,095	7,536	80,631
	Williamsville Translator	7/30/2004	F-10	100 00%	6,825	0	0	0	0	6,825	7	200DB	HY	5,910	609	6,519
	Moberly Simian	9/15/2004	F-10	100 00%	619	0	0	0	0	619	7	200DB	HY	535	55	590
	KHOJ Studio Equipment	5/13/2005	F-17	100 00%	167,950	0	0	0	0	167,950	15	200DB	HY	74,289	11,792	86,081
	KHOJ Furniture	5/13/2005	F-11	100 00%	5,700	0	0	0	0	5,700	7	200DB	HY	4,429	508	4,937
	KHOJ Office Equipment	5/13/2005	F-11	100 00%	8,200	0	0	0	0	8,200	7	200DB	HY	6,370	731	7,101
	KHOJ Transmitter	6/21/2005	F-17	100 00%	33,003	0	0	0	0	33,003	15	200DB	HY	14,598	2,317	16,915
	Computer WRYT	7/6/2005	F-5	100 00%	1,230	0	0	0	0	1,230	5	200DB	HY	1,160	70	1,230
	Computer Wryt Studio	10/10/2005	F-5	100 00%	587	0	0	0	0	587	5	200DB	HY	554	33	587
	SA Receiver	5/30/2006	F-10	100 00%	502	0	0	0	0	502	7	200DB	HY	346	45	391
	WCKW Garyville, LA Stuc	10/17/2006	F-10	100 00%	79,106	0	0	0	0	79,106	7	200DB	HY	54,390	7,064	61,454
	3 Scientific Atlanta Recei	10/25/2006	F-10	100 00%	1,485	0	0	0	0	1,485	7	200DB	HY	1,021	133	1,154
	WCKW Computer Softwa	12/29/2006	F-6	100 00%	938	0	0	0	0	938	5	200DB	HY	776	108	884
	New Building WRYT	1/3/2007	R-5	100 00%	300,019	0	0	0	0	300,019	39	SL/GDS	MM	25,320	7,692	33,012
	Broadcast Equip-phone ir	1/8/2007	F-10	100 00%	1,357	0	0	0	0	1,357	7	200DB	HY	932	121	1,053
	Broadcast Equip Telepho	1/22/2007	F-10	100 00%	1,706	0	0	0	0	1,706	7	200DB	HY	1,173	152	1,325
	Broadcast Equip Shure W	3/13/2007	F-10	100 00%	362	0	0	0	0	362	7	200DB	HY	249	32	281
	2 SA Receiver	4/9/2007	F-10	100 00%	990	0	0	0	0	990	7	200DB	HY	680	88	768
	Studio Equip WCKW	4/27/2007	F-10	100 00%	234	0	0	0	0	234	7	200DB	HY	160	21	181
	Studio Equipment KHOJ	4/27/2007	F-10	100 00%	1,504	0	0	0	0	1,504	7	200DB	HY	1,034	134	1,168
	WRYT Computer Office	5/25/2007	F-5	100 00%	1,236	0	0	0	0	1,236	5	200DB	HY	880	142	1,022
	KHOJ Am Optimod	6/21/2007	F-10	100 00%	2,476	0	0	0	0	2,476	7	200DB	HY	1,393	309	1,702
	Studio Equipment	6/25/2007	F-10	100 00%	855	0	0	0	0	855	7	200DB	HY	481	107	588
	Equipment	7/9/2007	F-10	100 00%	3,162	0	0	0	0	3,162	7	200DB	HY	1,779	395	2,174
	Caryle Radio Equip	7/31/2007	F-10	100 00%	3,280	0	0	0	0	3,280	7	200DB	HY	1,846	410	2,256
	Equipment	8/9/2007	F-10	100 00%	3,218	0	0	0	0	3,218	7	200DB	HY	1,811	402	2,213
	Salem Radio Equip	8/27/2007	F-10	100 00%	2,649	0	0	0	0	2,649	7	200DB	HY	1,491	331	1,822
	2 Dayton AF310 AM Rece	9/4/2007	F-10	100 00%	440	0	0	0	0	440	7	200DB	HY	248	55	303
	Martinsville Aluminum Ele	9/7/2007	F-10	100 00%	833	0	0	0	0	833	7	200DB	HY	469	104	573
	Pittsfield Radio Equip	9/7/2007	F-10	100 00%	2,440	0	0	0	0	2,440	7	200DB	HY	1,374	305	1,679
	Equipment	9/7/2007	F-10	100 00%	871	0	0	0	0	871	7	200DB	HY	489	109	598
	3 Scientific Atlanta Recei	9/14/2007	F-10	100 00%	1,485	0	0	0	0	1,485	7	200DB	HY	836	185	1,021
	Martinsville Radio Equip	9/24/2007	F-10	100 00%	3,638	0	0	0	0	3,638	7	200DB	HY	2,047	454	2,501
	Pittsfield Radio Equip	9/24/2007	F-10	100 00%	2,712	0	0	0	0	2,712	7	200DB	HY	1,526	339	1,865
	Salem Radio Equip	9/26/2007	F-10	100 00%	3,558	0	0	0	0	3,558	7	200DB	HY	2,001	444	2,445
	WOLG FM Transmitter	10/15/2007	F-10	100 00%	1,877	0	0	0	0	1,877	7	200DB	HY	1,056	234	1,290
	WOLG Audio Processor	12/7/2007	F-10	100 00%	1,743	0	0	0	0	1,743	7	200DB	HY	981	218	1,199
	2 Atlanta Receivers	2/7/2008	F-10	100 00%	990	0	0	0	0	990	7	200DB	HY	556	124	680
	equipment	2/7/2008	F-10	100 00%	375	0	0	0	0	375	7	200DB	HY	212	47	259
	Adapter Connector & Ante	3/14/2008	F-10	100 00%	837	0	0	0	0	837	7	200DB	HY	471	105	576
	2 Atlanta Receivers	3/20/2008	F-10	100 00%	990	0	0	0	0	990	7	200DB	HY	556	124	680
	KBKC Sage Endec Eas S	4/14/2008	F-10	100 00%	2,318	0	0	0	0	2,318	7	200DB	HY	1,304	290	1,594
	WCKW Sine Systems Re	4/28/2008	F-10	100 00%	315	0	0	0	0	315	7	200DB	HY	177	39	216
	KBKC Studio Equip	4/28/2008	F-10	100 00%	546	0	0	0	0	546	7	200DB	HY	307	68	375
	2 Atlanta Receivers	4/30/2008	F-10	100 00%	990	0	0	0	0	990	7	200DB	HY	556	124	680
	WCKW Meter	5/14/2008	F-10	100 00%	1,316	0	0	0	0	1,316	7	200DB	HY	510	230	740
	WRYT CAL Amp LNB	5/14/2008	F-10	100 00%	295	0	0	0	0	295	7	200DB	HY	114	52	166
	WHOJ CAL Amp LNB	5/14/2008	F-10	100 00%	295	0	0	0	0	295	7	200DB	HY	114	52	166
	WCKW CAL Amp LNB	5/14/2008	F-10	100 00%	295	0	0	0	0	295	7	200DB	HY	114	52	166
	Computer	5/20/2008	F-5	100 00%	1,042	0	0	0	0	1,042	5	200DB	HY	541	200	741
	WRMS Transmitter	7/31/2008	F-10	100 00%	8,050	0	0	0	0	8,050	7	200DB	HY	3,121	1,408	4,529
	WRMS Air Conditioner	8/6/2008	R-2	100 00%	1,701	0	0	0	0	1,701	15	150DB	HY	247	145	392
	WRYT Air Conditioner	8/13/2008	R-2	100 00%	6,350	0	0	0	0	6,350	15	150DB	HY	921	543	1,464
	WRMS Delta Meter	9/4/2008	F-10	100 00%	1,305	0	0	0	0	1,305	7	200DB	HY	506	228	734
	KHOJ Modulator	9/30/2008	F-10	100 00%	1,519	0	0	0	0	1,519	7	200DB	HY	589	266	855
	WIHM Air Conditioner	10/6/2008	R-2	100 00%	2,615	0	0	0	0	2,615	15	150DB	HY	379	224	603

Form 4562 Statement - 990

4/30/2011

Item No	Description of Property	Date Placed In Service	Asset Code	Bus Use %	Cost or Other Basis	Sec 179 Deduction	Credit	Special Allowance	Salvage Value	Recovery Basis	Recovery Period	Method	Con-vention Code	Prior Accum Deprec , 179, Bonus	2010 Deprec	2010 Accum Deprec
	WOLG Antenna & Power	11/12/2008	F-10	100 00%	1,041	0	0	0	0	1,041	7	200DB	HY	404	182	586
	WCKW Satelite Dish	11/12/2008	F-10	100 00%	322	0	0	0	0	322	7	200DB	HY	125	56	181
	WOLG Power Cube Rebu	1/8/2009	F-10	100 00%	850	0	0	0	0	850	7	200DB	HY	329	149	478
	KHOJ Modulator	3/6/2009	F-10	100 00%	736	0	0	0	0	736	7	200DB	HY	285	129	414
	Document Folder	8/3/2009	F-10	100 00%	1,802	0	0	0	0	1,802	7	200DB	MQ2	322	423	745
	Receiver Backup	9/29/2009	F-10	100 00%	350	0	0	0	0	350	7	200DB	MQ2	63	82	145
	Martinsville Antenna	9/29/2009	F-10	100 00%	400	0	0	0	0	400	7	200DB	MQ2	71	94	165
	Dexter Antenna	1/8/2010	F-10	100 00%	3,371	0	0	0	0	3,371	7	200DB	MQ3	361	860	1,221
	Dexter Amplifier, Exciter &	1/8/2010	F-10	100 00%	13,007	0	0	0	0	13,007	7	200DB	MQ3	1,393	3,318	4,711
	Dexter Radio Equipment	2/4/2010	F-10	100 00%	9,415	0	0	0	0	9,415	7	200DB	MQ4	336	2,594	2,930
	Envelope Feeder	2/10/2010	F-10	100 00%	222	0	0	0	0	222	7	200DB	MQ4	8	61	69
	Receivers (3)	2/10/2010	F-10	100 00%	1,521	0	0	0	0	1,521	7	200DB	MQ4	54	419	473
	Dexter Programming Con	3/10/2010	F-5	100 00%	1,069	0	0	0	0	1,069	5	200DB	MQ4	53	406	459
	2 receivers	4/8/2010	F-10	100 00%	1,009	0	0	0	0	1,009	7	200DB	MQ4	36	278	314
	KHOJ Nightime Upgrade	4/15/2010	F-10	100 00%	10,145	0	0	0	0	10,145	7	200DB	MQ4	362	2,795	3,157
	Optiplex 760, Simian and	4/15/2010	F-10	100 00%	2,824	0	0	0	0	2,824	7	200DB	MQ4	101	778	879
	KHOJ Romex	4/20/2010	F-10	100 00%	350	0	0	0	0	350	7	200DB	MQ4	12	96	108
	WRYT Computer Studio	6/22/2010	F-5	100 00%	1,515	0	0	0	0	1,515	5	200DB	MQ1	0	530	530
	WRYT Computer Studio	12/1/2010	F-5	100 00%	1,095	0	0	0	0	1,095	5	200DB	MQ3	0	164	164
	KHOJ Upgrade	5/10/2010	F-10	100 00%	10,947	0	0	0	0	10,947	7	200DB	MQ1	0	2,737	2,737
	Adapter/Hardware	6/9/2010	F-10	100 00%	381	0	0	0	0	381	7	200DB	MQ1	0	95	95
	KHOJ Studio Equip	6/9/2010	F-10	100 00%	159	0	0	0	0	159	7	200DB	MQ1	0	40	40
	WIHM Processor	6/22/2010	F-10	100 00%	1,736	0	0	0	0	1,736	7	200DB	MQ1	0	434	434
	KHJM Satellite Receivers	8/10/2010	F-10	100 00%	256	0	0	0	0	256	7	200DB	MQ2	0	46	46
	WOLG Mixer	9/15/2010	F-10	100 00%	102	0	0	0	0	102	7	200DB	MQ2	0	18	18
	WRYT Satellite Receivers	11/12/2010	F-10	100 00%	226	0	0	0	0	226	7	200DB	MQ3	0	24	24
	KEFL Kirsville Station	4/15/2011	F-17	100 00%	32,987		0	0	0	32,987	15	150DB	MQ4	0	412	412
Listed Property																
Listed property with more than 50% business use (Line 25 and 26)																
21	WIHM Computer	7/16/1998	F-4	100 00%	1,280	0	0	0	0	1,280	5	200DB	HY	1,280	0	1,280
35	WOLG Computer	7/16/1998	F-4	100 00%	1,280	0	0	0	0	1,280	5	200DB	HY	1,280	0	1,280
18	WRYT 2 Computers	7/16/1998	F-4	100 00%	2,560	0	0	0	0	2,560	5	200DB	HY	2,560	0	2,560
	WRYT Computer Office	11/4/2010	F-4	100 00%	1,035	0	0	0	0	1,035	5	200DB	MQ3	0	155	155
46	WRYT Comuter with CDF	5/11/2000	F-4	100 00%	1,220	0	0	0	0	1,220	5	200DB	HY	1,220	0	1,220
45	WRYT Office Computer	9/22/1999	F-4	100 00%	640	0	0	0	0	640	5	200DB	HY	640	0	640
50	WRYT Okidata Printer	12/20/2000	F-4	100 00%	756	0	0	0	0	756	5	200DB	HY	756	0	756
47	WRYT Printer	9/21/2000	F-4	100 00%	670	0	0	0	0	670	5	200DB	HY	670	0	670
	Total listed prop with > 50% business use				9,441	0	0	0	0	9,441				8,406	155	8,561
	Subtotal Listed Property				9,441	0	0	0	0	9,441				8,406	155	8,561
Total Amortization (Line 44)																
72	License WHOJ	3/30/2004	Z-9	100 00%	13,777	0	0	0		13,777	10	SL	FM	8,498	1,378	9,876
73	License KBKC	3/30/2004	Z-9	100 00%	4,370	0	0	0		4,370	10	SL	FM	2,695	437	3,132
74	License K219CX	3/30/2004	Z-9	100 00%	2,740	0	0	0		2,740	10	SL	FM	1,690	274	1,964
75	License K207BY	3/30/2004	Z-9	100 00%	2,740	0	0	0		2,740	10	SL	FM	1,690	274	1,964
76	License K216DI	3/30/2004	Z-9	100 00%	2,740	0	0	0		2,740	10	SL	FM	1,690	274	1,964
	WRMS License	7/28/2004	Z-9	100 00%	210,000	0	0	0		210,000	15	SL	FM	81,670	14,000	95,670
	KHOJ License	5/13/2005	Z-9	100 00%	560,520	0	0	0		560,520	15	SL	FM	174,384	37,368	211,752
	WCKW Garyville, LA Rad	10/17/2006	Z-9	100 00%	118,660	0	0	0		118,660	15	SL	FM	27,981	7,911	35,892
	Total Total Amortization (Line 44)				915,547	0	0	0	0	915,547				300,298	61,916	362,214

Part X (Sch D (990)) - Other Liabilities

7,947

	Description	Amount
1	Federal Income Taxes	0
2	Credit Cards & Payroll Liabilities	7,947
3		0
4		0
5		0
6		0
7		0
8		0
9		0
10		0
11		0
12		0
13		0
14		0
15		0
16		0
17		0
18		0
19		0
20		0
21		0

Form **4797**

Department of the Treasury
Internal Revenue Service (99)

Sales of Business Property

(Also Involuntary Conversions and Recapture Amounts Under Sections 179 and 280F(b)(2))

▶ Attach to your tax return. ▶ See separate instructions.

OMB No 1545-0184

2010

Attachment Sequence No **27**

Name(s) shown on return	Identifying number
Covenant Network	43-1768606

1 Enter the gross proceeds from sales or exchanges reported to you for 2010 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions) . . 1

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft—Most Property Held More Than 1 Year (see instructions)

2 (a) Description of property	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)
WRYT 9 29 Acres	8/13/1997	12/28/2010	18,584	0	9,153	9,431
						0
						0

3	Gain, if any, from Form 4684, line 42	3	
4	Section 1231 gain from installment sales from Form 6252, line 26 or 37	4	
5	Section 1231 gain or (loss) from like-kind exchanges from Form 8824	5	
6	Gain, if any, from line 32, from other than casualty or theft	6	
7	Combine lines 2 through 6 Enter the gain or (loss) here and on the appropriate line as follows	7	9,431
	Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9 Skip lines 8, 9, 11, and 12 below		
	Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9 If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below		
8	Nonrecaptured net section 1231 losses from prior years (see instructions)	8	
9	Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions)	9	0

Part II Ordinary Gains and Losses (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less)

						0
						0
						0

11	Loss, if any, from line 7	11	( )
12	Gain, if any, from line 7 or amount from line 8, if applicable	12	
13	Gain, if any, from line 31	13	
14	Net gain or (loss) from Form 4684, lines 34 and 41a	14	
15	Ordinary gain from installment sales from Form 6252, line 25 or 36	15	
16	Ordinary gain or (loss) from like-kind exchanges from Form 8824	16	
17	Combine lines 10 through 16	17	0
18	For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below For individual returns, complete lines a and b below		
a	If the loss on line 11 includes a loss from Form 4684, line 38, column (b)(ii), enter that part of the loss here Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23 Identify as from "Form 4797, line 18a " See instructions	18a	
b	Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a Enter here and on Form 1040, line 14	18b	0

For Paperwork Reduction Act Notice, see separate instructions. Form **4797** (2010)

(HTA)

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization

(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No 1545-0172

2010

Attachment Sequence No **67**

Name(s) shown on return	Business or activity to which this form relates	Identifying number
Covenant Network	990	43-1768606

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	50,439
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	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	201

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	62,080
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 ▶ ☐		

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						
	b 5-year property		2,610	5	MQ	200DB	694
	c 7-year property		13,807	7	MQ	200DB	3,394
	d 10-year property						
	e 15-year property		32,987	15	MQ	150DB	412
	f 20-year property						
	g 25-year property			25 yrs.		S/L	
	h Residential rental property			27.5 yrs.	MM	S/L	
				27.5 yrs.	MM	S/L	
	i Nonresidential real property			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	155
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	66,936
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	

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? ☐ Yes ☐ No **24b** If "Yes," is the evidence written? ☐ Yes ☐ 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:								
WRYT Computer Office	11/4/2010	100 00%	1,035	1,035	5	200DB - MQ	155	
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**	155	
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.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (**do not** include commuting miles)												
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												
	Yes	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
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).

	Yes	**No**
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
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*

Part VI **Amortization**

(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**	61,916
44 **Total.** Add amounts in column (f). See the instructions for where to report				**44**	61,916