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

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 5/1/2011, and ending 4/30/2012

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 $ 984,927

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

Activities & Governance

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 tefourteen 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 2011 (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
Revenue			
8	Contributions and grants (Part VIII, line 1h)	890,177	908,434
9	Program service revenue (Part VIII, line 2g)	60,854	64,246
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	16,713	4,935
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	3,599	2,246
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	971,343	979,861
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	6,150	7,333
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)	222,364	226,501
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 97,593		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	570,596	575,318
18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	799,110	809,152
19	Revenue less expenses Subtract line 18 from line 12	172,233	170,709

	Net Assets or Fund Balances	Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	2,693,500	2,785,353
21	Total liabilities (Part X, line 26)	1,161,548	1,082,692
22	Net assets or fund balances. Subtract line 21 from line 20	1,531,952	1,702,661

RECEIVED
OGDEN, UT

SCANNED JAN 08 2013

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

JOHN ANTHONY HOLMAN

Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☒ if self-employed	PTIN
Deborah Lewis	Deborah Lewis	11/29/2012		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

For Paperwork Reduction Act Notice, see the separate instructions.

(HTA)

617 2

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 organization's program service accomplishments for each of its three largest program services, as measured 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 $ 553,687 including grants of $ 0) (Revenue $ 0)
Operating expenses for fourteen 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 23 broadcast facilities

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 ►** 553,687

Part IV Checklist of Required Schedules

		Line	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 for which 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 temporarily restricted endowments, permanent endowments, 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, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *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 hospital facilities? *If "Yes," complete Schedule H*	20a		X
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	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 any government or organization 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 employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *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
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		X
b	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*	35b		X
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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 30			
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 . . . If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	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	Did the organization have members or stockholders?		6		X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		7a		X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		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	Did the organization have local chapters, branches, or affiliates?	10a		X
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete 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	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	12c	X	
13	Did the organization have a written whistleblower policy?	13	X	
14	Did 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," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take 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 (Section 501(c)(3)s only) available for public inspection. Indicate how you made 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 made 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 (do not check more than one box, unless person is both an officer and a director/trustee): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(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
(1) John A. Holman Pres/Gen Mgr	41 00	X		X				49,568	0	20,484
(2) Teresa Holman Secretary/Assistant Mgr.	27.60	X		X				20,734	0	0
(3) Tammy Keppner Treasurer	0 01	X		X				0	0	0
(4)										
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										
(11)										
(12)										
(13)										
(14)										

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 (do not check more than one box, unless person is both an officer and a director/trustee): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(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
(15)										
(16)										
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										

		(D)	(E)	(F)
1b	**Sub-total** ▶	70,302	0	20,484
c	**Total from continuation sheets to Part VII, Section A** ▶	0	0	0
d	**Total (add lines 1b and 1c)** ▶	70,302	0	20,484

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of 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 Report compensation for the calendar year ending with or within the organization's tax year

(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 of 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	908,434				
	g Noncash contributions included in lines 1a-1f.	$	5,712				
	h **Total.** Add lines 1a–1f ▶			908,434			
Program Service Revenue		Business Code					
	2a Announcement Income	900099		64,246	64,246		
	b			0			
	c			0			
	d			0			
	e			0			
	f All other program service revenue			0			
	g **Total.** Add lines 2a–2f ▶			64,246			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶			4,727	4,727		
	4 Income from investment of tax-exempt bond proceeds ▶			0			
	5 Royalties ▶			0			
		(i) Real	(ii) Personal				
	6a Gross rents						
	b Less: rental expenses						
	c Rental income or (loss)	0	0				
	d Net rental income or (loss) ▶			0			
	7a Gross amount from sales of assets other than inventory	(i) Securities 5,274	(ii) Other 0				
	b Less cost or other basis and sales expenses	5,066	0				
	c Gain or (loss)	208	0				
	d Net gain or (loss) ▶			208			
	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			101	101		
	b health Ins Credit			2,145	2,145		
	c			0			
	d All other revenue			0			
	e **Total.** Add lines 11a–11d ▶			2,246			
	12 **Total revenue.** See instructions ▶			979,861	71,219	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).

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

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 United States. See Part IV, line 21	7,333	7,333		
2 Grants and other assistance to individuals in the United States See Part IV, line 22	0			
3 Grants and other assistance to governments, organizations, and individuals outside the United States 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	76,523	7,652	49,262	19,609
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	103,282	50,856	41,058	11,368
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	0			
9 Other employee benefits	33,463	9,100	16,467	7,896
10 Payroll taxes	13,233	4,351	6,574	2,308
11 Fees for services (non-employees)				
a Management	0			
b Legal	10,356		10,356	
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	23,315	23,315		
12 Advertising and promotion	3,329	3,272		57
13 Office expenses	109,834	59,302	20,137	30,395
14 Information technology	4,261	3,269	992	
15 Royalties	0			
16 Occupancy	146,413	138,765	3,824	3,824
17 Travel	16,761	16,761		
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	25,651	3,515		22,136
20 Interest	65,876	65,876		
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	128,458	128,458	0	0
23 Insurance	30,386	28,436	1,950	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Licenses & Permits	797	745	52	
b Dues & Subscriptions	2,454	2,454		
c Miscellaneous	227	227		
d	0			
e All other expenses	0			
25 **Total functional expenses.** Add lines 1 through 24e	809,152	553,687	157,872	97,593
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)	61,282	22,771	580	37,931

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		120,269	1	66,664
	2	Savings and temporary cash investments		1,241,862	2	1,321,472
	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 1,783,690			
	b	Less: accumulated depreciation	10b 881,916	774,656	10c	901,774
	11	Investments—publicly traded securities		2,490	11	3,136
	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		553,333	14	491,417
	15	Other assets See Part IV, line 11		890	15	890
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		2,693,500	16	2,785,353
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		1,153,601	23	1,076,967
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		7,947	25	5,725
	26	**Total liabilities.** Add lines 17 through 25		1,161,548	26	1,082,692
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		1,531,952	32	1,702,661
	33	Total net assets or fund balances		1,531,952	33	1,702,661
	34	Total liabilities and net assets/fund balances		2,693,500	34	2,785,353

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	979,861
2	Total expenses (must equal Part IX, column (A), line 25)	2	809,152
3	Revenue less expenses Subtract line 2 from line 1	3	170,709
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	1,531,952
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	1,702,661

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?	2c	X	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O			
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: ☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	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

2011

Open to Public Inspection

Name of the organization
Covenant Network

Employer identification number
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? Yes	No	(v) Did you notify the organization in col (i) of your support? Yes	No	(vi) Is the organization in col (i) organized in the U S ? Yes	No	(vii) Amount of support
(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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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
3 The value of services or facilities furnished by a governmental unit to the organization without charge	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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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
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 2011 (line 6, column (f) divided by line 11, column (f))	**14**	0 00%
15 Public support percentage from 2010 Schedule A, Part II, line 14	**15**	0.00%

16a **33 1/3% support test—2011.** 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—2010.** 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—2011.** 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—2010.** 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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1	Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")	756,912	696,217	800,796	890,877	908,434	4,053,236
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 .	57,089	49,064	58,261	58,954	64,246	287,614
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
5	The value of services or facilities furnished by a governmental unit to the organization without charge						0
6	**Total.** Add lines 1 through 5	814,001	745,281	859,057	949,831	972,680	4,340,850
7a	Amounts included on lines 1, 2, and 3 received from disqualified persons .	25,000	40,000	119,847	179,100	126,800	490,747
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	5,896	9,524	5,452	4,796	4,406	30,074
c	Add lines 7a and 7b	30,896	49,524	125,299	183,896	131,206	520,821
8	**Public support** (Subtract line 7c from line 6)						3,820,029

Section B. Total Support

	Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9	Amounts from line 6	814,001	745,281	859,057	949,831	972,680	4,340,850
10a	Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	41,064	28,459	18,224	10,307	4,727	102,781
b	Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						0
c	Add lines 10a and 10b .	41,064	28,459	18,224	10,307	4,727	102,781
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)	85	100	101	99	2,246	2,631
13	**Total support.** (Add lines 9, 10c, 11, and 12)	855,150	773,840	877,382	960,237	979,653	4,446,262

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 2011 (line 8, column (f) divided by line 13, column (f))	15	85.92%
16	Public support percentage from 2010 Schedule A, Part III, line 15	16	83 74%

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2011** (line 10c, column (f) divided by line 13, column (f)) .	17	2 31%
18	Investment income percentage from **2010** Schedule A, Part III, line 17	18	2 52%

19a **33 1/3% support tests—2011.** 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—2010.** 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).

Part III Line 12 state discount and health insurance credit

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, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization: Covenant Network

Employer identification number: 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)
- ☐ Protection of natural habitat
- ☐ Preservation of open space
- ☐ Preservation of an historically important land area
- ☐ Preservation of a certified historic structure

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

			Held at the End of the Tax Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06, 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	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	0	

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ▶ ________ %
b Permanent endowment ▶ ________ %
c Temporarily restricted endowment ▶ ________ %

The percentages in lines 2a, 2b, and 2c should equal 100%.

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 property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	0	250,631		250,631
b Buildings	0	300,019	40,704	259,315
c Leasehold improvements	0	0	0	0
d Equipment	0	1,233,040	841,212	391,828
e Other	0	0	0	0
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				901,774

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) Book value
(1) Federal income taxes	0
(2) Credit Cards & Payroll Liabilities	5,725
(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)* ▶	5,725

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	979,861
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	809,152
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	170,709
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	170,709

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	979,861
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	979,861
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	979,861

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

1	Total expenses and losses per audited financial statements			1	809,152
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	809,152
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	809,152

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
2011
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 listed in the line 1 table . . . . ▶

3 Enter total number of other organizations listed in the line 1 table . . . . ▶ 0

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
2011
Open to Public Inspection

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

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

Form 990 Part VI Section B Line 11a Governing body recieves a copy to review Form 990 and Audit

Form 990 Part VI Section A Line 4 New Bylaws attached

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, after April 30, 2012 established the compensation committee which is included in the attached bylaws. In determining compensenation, the compensation committee shall consult comparability data, other applicable data, and relevant facts concerning the individual whose salary is being reviewed A majority of the the compensation committee shall agree on a salary range and submit their determination to the Board of Directors.

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

Form 990 Part VI Section A Line 7b The Finance Committee who establishes the Compensation Committee determines salary of the board of directors, officers and top key employees. In the event of a simultaneous vacancy in all three director positions by death, resignation, retirement, disqualification, or any other cause all three said vacancies shall be filled by a majority vote of the Finance Committee.

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

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
2011
Attachment Sequence No 179

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	187,810
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 2010 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 2012 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	17

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 2011	17	56,768
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 2011 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						
c 7-year property		146	7	HY	200DB	21
d 10-year property						
e 15-year property		187,664	15	HY	150DB	9,384
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 2011 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	352
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	66,542
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	352	
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	352	
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 2011 tax year (see instructions):					
43 Amortization of costs that began before your 2011 tax year				43	61,916
44 **Total.** Add amounts in column (f) See the instructions for where to report				44	61,916

EXHIBIT A

BYLAWS

OF

COVENANT NETWORK

A General Nonprofit Corporation under Chapter 355, Missouri Revised Statutes

As of June 25, 2012

ARTICLE ONE

Registered Agent

The Covenant Network (hereinafter, "Corporation") shall have and continuously maintain in the State of Missouri a Registered Office and a Registered Agent whose office is identical with such Registered Office. The name of the Registered Agent and the address of the Registered Office may be changed from time to time by the Board of Directors. The Registered Office may be, but need not be, identical with the Corporation's Principal Office in the State of Missouri.

ARTICLE TWO

Members

The Corporation shall have members, but the Corporation shall be controlled and managed by a Board of Directors. The members of the Corporation shall consist of the members of the Finance Committee from time-to-time serving. Pursuant to the provisions of Section 6 of Article Three, the members of the Corporation shall, only in the event of a simultaneous vacancy in all three (3) Board of Director positions by death, resignation, retirement, disqualification, or any other cause, fill all three (3) said vacancies by a majority vote. The members of the Corporation shall vote on each vacancy separately, pursuant to the provisions of Section 6 of Article Three of these Bylaws. In the event of such a simultaneous vacancy, there shall be a list of names of recommended candidates to fill the vacancies on the Board of Directors which shall be maintained in the

Corporation's safe, at the corporate office.

ARTICLE THREE

Board of Directors

Section 1. Corporate Power.

All the corporate powers, except such as are otherwise provided for in these Bylaws and in the laws of the State of Missouri, shall be and are hereby vested in and shall be exercised by the Board of Directors.

Section 2. Election.

An organizational meeting shall be called by a majority of the incorporators, at which time the incorporators shall elect three (3) directors to serve as the initial Board of Directors. A director's term of office shall be three (3) years in accordance with Section 3 of this Article. However, in order to achieve staggered terms of office for the elected directors, the initial term of the first director shall be for three (3) years, the initial term of the second director shall be for two (2) years, and the initial term for the third director shall be for one (1) year. Thereafter, all subsequent terms shall be for three (3) years.

After the initial election of directors, the Board of Directors at its annual meeting shall, by a majority of the votes cast at such meeting, elect persons to fill vacant directorships resulting from expiring terms of office. In the event a directorship is not so filled at such annual meeting, the incumbent director shall continue to serve until his or her successor is elected and the term of such successor begins. Directors may hold successive terms of office, and there is no limit on the number of terms of office a director may hold. In the event of a simultaneous vacancy in all three (3) director positions by death, resignation, retirement, disqualification, or any other cause, all three (3) said vacancies shall be filled by a majority vote of the Finance Committee pursuant to the provisions of Section 6 of Article Three. Each new Director shall finish the term of his or her predecessor, at which time the normal election procedure shall take place.

Section 3. Term of Office.

Except for the initial term of office as provided in Section 2 of this Article, the term of office of a director shall be three (3) years, or until his or her successor is elected. Accordingly, the term of office of each director elected at the annual meeting of the Board of Directors to fill the office of a director whose term is expiring shall begin with the first day of February following such annual meeting and shall expire on the later of (i) the end of the last day of January of the third calendar year following such meeting or (ii) the election of his or her successor. The term of office of any director who is elected at any time following the annual meeting of the Board of Directors at which his or her directorship should have been filled in accordance with Section 2 of this Article, shall begin on the later of (i) the first day of February following the date of such annual meeting or (ii) the date of his or her election. The term of office of any such director shall expire on the later of (i) the end of the last day of January of the second calendar year following such annual meeting or (ii) upon the election of his or her successor. The term of office of any director elected to fill an unexpired term of a director whose office has been vacated by resignation, death, or removal shall be the remaining term of his or her predecessor.

Section 4. Resignation.

Any director may resign at any time by giving written notice of such resignation to the President of the Corporation. The written notice shall state the effective date of such resignation and the office of such director shall be vacant as of the stated effective date unless the President decides otherwise.

Section 5. Removal.

If there are three members of the Board, the Board of Directors may, at any time and without cause or for cause, as it deems best in its sole discretion, remove any director by a unanimous vote of the directors then in office, but not to include the subject director. By a unanimous vote of the directors then in office, the Board of Directors may also remove a director by reason of the director's failure to attend board meetings as specified in Section 11 of this Article. If a director or directors are removed, then his or her or their successor(s) shall be elected as provided in Section 6 of this

Article.

Section 6. Vacancy.

Any vacancy occurring in the Board of Directors, including a vacancy created by the removal of a director in accordance with Section 5 of this Article or by an increase in the number of directors made by amendment to these Bylaws, may be filled by a majority vote of the directors then in office. An election to fill a vacancy resulting from a resignation may be held in advance of the effective date stated in the written notice of such resignation, but the successor director so elected shall not begin his term of office until such effective date. A director who has given written notice of his or her resignation shall not vote in the election of his successor or in the election of the successor of any other director who has delivered written notice of his resignation to the Board of Directors and shall not be deemed a director then serving for purposes of such election. In the event (and only in the event) of a simultaneous vacancy in all director positions by death, resignation, retirement, disqualification, or any other cause, all such vacancies shall be filled by a majority vote of the Finance Committee.

Section 7. Annual Meetings.

Unless the President designates otherwise, an annual meeting of the Board of Directors shall be held during the month of January in each calendar year at such place and time and on a date as designated by the President of the Corporation. Notice need be given for the annual meetings of the board specifying the time and date of such meeting. Attendance of a director at a meeting will constitute a waiver of notice and a waiver of all objection to the place, time, and manner of calling the same, except where the director states, at the beginning of the meeting, any objection to the transaction of business because the meeting is not lawfully called or convened.

Section 8. Regular and Special Meetings.

Regular meetings of the Board of Directors are meetings whose time and place are fixed by the Bylaws, or meetings which are held at regular intervals. All other meetings are special meetings. Regular meetings may be held without notice at such times and places as may be fixed by resolution of the Board of Directors. The President of the Corporation or at least twenty percent (20%) of the members of the Board of Directors then in office may call and give notice of a special meeting of the Board of Directors. Any business may be transacted in a regular meeting of the Board of Directors. Only business identified in the notice of the call of a special meeting may be transacted in a special meeting of the Board of Directors.

Section 9. Notice of Meetings.

Except as otherwise herein provided, notice of all meetings of the Board of Directors shall be given in writing at least two (2) days before the meeting to the usual business or residence address of each director. Such notice must include the date, time, place, and purpose of the meeting. Whenever any notice is required to be given by law or under the provisions of the Bylaws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice, and such waiver shall be filed with the corporate records. Attendance at a meeting shall also constitute a waiver of notice, unless the director, upon arriving at the meeting, or prior to a vote on a matter not properly noticed objects to the lack of notice and does not vote for or assent to the objected to action.

Section 10. Quorum.

At all meetings of the Board of Directors, and unless otherwise specifically provided by statute or by these Bylaws, a majority of the directors then in office, present either in person or by telephone conference call, shall be necessary and sufficient to constitute a quorum for the transaction of business. The act of the majority of the directors present either in person or by telephone conference call at any meeting at which a quorum is present shall be the act of the Board of Directors except as may be otherwise specifically provided by statute or by these Bylaws. If at any meeting less than a quorum is present, a majority of those present may adjourn the meeting from time to time without further notice to any absent directors.

Section 11. Attendance at Meetings.

Each director is required to make every reasonable effort to attend each regular and special meeting for which he or she is given notice as required by the Bylaws or the law. If a director fails to attend more than five (5) meetings during his or her term as director, he or she may be removed by the Board pursuant to Section 5 of this Article.

Section 12. Participation at Meetings, Attendance Deemed.

Any or all directors may attend and participate in a regular or special meeting through the use of any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person and in attendance at the meeting.

Section 13. Action by Consent.

Any action of the directors may be taken without a meeting if written consents describing the action to be taken, signed by each duly elected, qualified, and acting director are executed and delivered to the Secretary to be included in the Corporate records.

Section 14. Compensation.

Directors shall not receive any stated salary for their services as such, but by resolution of the Board, a fixed reasonable sum or expenses of attendance, if any, or both, may be allowed for attendance at each regular or special meeting of the Board. The Board of Directors shall have the power, in its discretion, to contract for and to pay to directors rendering unusual or exceptional services to the Corporation, special compensation appropriate to the value of services. Notwithstanding anything in this Section to the contrary, a person who is serving as a Director of the Corporation may be employed by the Corporation in another capacity and be compensated for such other service.

Section 15. Conflicts of Interest.

A transaction in which a director has a material interest is not voidable nor is it the basis for imposing liability on a non-compensated director if the transaction was not unfair to the Corporation at the time it was entered into; or, if the conflict is approved in advance by a vote of the Board of Directors, and (i) the material facts of the transaction and the director's interest are disclosed or known to the Board; and (ii) the Directors approving the transaction in good faith reasonably believe that the transaction is not unfair to the Corporation. The Board may adopt such other or additional policy(ies) related to conflicts of interest as the Board may determine which other or additional policy(ies) shall be binding on the Board as if fully set forth herein.

ARTICLE FOUR

Officers of the Corporation

Section 1. Election or Appointment.

The Board of Directors shall elect or appoint the officers of the Corporation. Such election or appointment shall regularly take place at the annual meeting of the Board of Directors provided, however, that the election or appointment of officers may be held at any other meeting of the Board of Directors. The officers of the Corporation shall be a President, Vice President, Secretary, and Treasurer, who may be, but are not required to be, elected members of the Board of Directors. The Board of Directors may also appoint such other officers, agents, or managing employees, including a Vice-President, as it shall deem appropriate and who shall have the authority to perform such duties as may be prescribed from time to time by the Board of Directors or by the President. The same individual may simultaneously hold more than one office in the Corporation.

Section 2. Vacancy.

In case any office of the Corporation becomes vacant by death, resignation, retirement, disqualification, or any other cause, the majority of the directors then in office may, subject to the conditions in Section 1 of this Article, elect an officer to fill such vacancy, and the officer so elected shall hold office and serve until the election and qualification of a successor.

Section 3. Term of Office.

Each elected or appointed officer shall serve for a term of one (1) year or until his or her successor shall be elected and qualified, unless otherwise herein specified.

Section 4. Duties of President

The President of the Corporation shall preside at all meetings of the Board of Directors; shall appoint the chairmen of all committees of the Board in consultation with the other officers of the Board; shall make an oral report of the work of the year and of the condition of the Corporation; and shall perform such other duties as are usually performed by such an officer. The President shall be a voting ex-officio member of all committees of the Board.

Section 5. Duties of Vice-President

The Vice-President, if any, shall perform the duties of the President in the absence or disability of the President. In the event of a permanent vacancy in the office of the President, the Vice-President, if any, shall serve as President until that office is filled by the Board of Directors.

Section 6. Duties of Secretary

The Secretary shall give due notice to members of the Board of Directors of all regular and called meetings of the Board, and will take minutes of the meetings. The Secretary shall keep records, attend such meetings, and have such other duties as designated by the President of the Corporation. The Secretary shall sign such documents as normally require the Secretary's signature.

Section 7. Duties of Treasurer

The Treasurer shall have general oversight of the funds and securities of the Corporation in accordance with the policies and procedures determined by the Board of Directors. The Treasurer shall have such additional duties as are assigned by the President of the Corporation.

Section 8. Removal by Board of Directors.

The Board of Directors may remove any officer at any time with or without cause.

ARTICLE FIVE

Committees

The Board of Directors may establish one or more standing committees and appoint members of the Board to serve on them. The following provisions shall apply to any committees established by the Board of Directors to the extent that such matters are not otherwise addressed in the resolution establishing any such committee:

Section 1. Terms

Each member of each committee shall continue as such until he or she resigns or until his or her successor is appointed in accordance with the resolution establishing the committee, unless the committee shall be sooner terminated, unless such member be removed from such committee by the Board of Directors, or unless such member shall cease to qualify as a member thereof.

Section 2. Chairman

The President may designate a member of each committee to be the chairman of such committee.

Section 3. Vacancies in Committees

Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 4. Rules

Each committee may adopt rules for its own government not inconsistent with the rules adopted by the Board of Directors, with the Articles of Incorporation, or with the Bylaws except that

Section 8 (Regular and Special Meetings), Section 9 (Notice of Meetings), Section 10 (Quorum), and Section 13 (Action by Consent) of Article Three of these Bylaws apply to committees and committee members.

With regard to the Finance Committee and the Compensation Committee, the restrictions of this Section 4 do not apply.

Section 5. Authority.

Subject to the laws of the State of Missouri, the Board of Directors may by written resolution specifically delegate board authority to a committee, except that a committee may not authorize distributions to directors, officers, agents, or employees unless for value received, nor may a committee adopt, amend, or repeal the Articles of Incorporation. Notwithstanding anything in this Section to the contrary, the Finance Committee of the Corporation shall have the authority to determine the compensation of an employee who is also serving as a director of the Corporation. Unless these Bylaws or the Articles of Incorporation so provide, a committee may not elect, appoint, or remove directors, or fill vacancies on the Board or any committee.

Section 6. Expenses

Committee members shall not receive any compensation for their services as such, but by action of the Board, expenses of attendance, if any, may be allowed for attendance at each committee meeting.

Section 7. Finance Committee.

a. The Board of Directors may, by resolution or resolutions adopted by a majority of the whole Board, designate two or more individuals to constitute a finance committee. Such committee, to the extent provided in such resolution or resolutions, shall have and may exercise all of the powers and authority required to establish and amend the compensation of any member of the Board of Directors who is also an employee of the Corporation; provided, however, that the designation of such committee and the delegation thereto of authority shall not operate to relieve the Board, or any member thereof, of any responsibility imposed upon it or such member by law.

b. The Finance Committee may from time to time adopt such methods of calling, holding, and conducting its meetings as may be approved by a majority of the full membership of the Finance Committee, provided, however, that (i) a majority of the full Finance Committee shall constitute a quorum for the transaction of business; (ii) the act of a majority of the members present at any meeting at which there is a quorum shall be the act of the finance committee except as may be otherwise specifically provided by the Articles of Incorporation, or in the Bylaws, or by resolution of the Board of Directors of the corporation; (iii) the Finance Committee shall keep minutes of its meetings and written statements regarding any action taken by unanimous consent in lieu of a meeting which shall be filed in the minutes book of the corporation.

c. <u>Compensation Committee</u>. The Finance Committee shall establish a Compensation Committee for the purpose of setting the salaries of officers, other top and key employees and those employees who are also on the Board of Directors of the corporation.

(1) The Compensation Committee shall be independent of the Board of Directors, officers and top and key employees whose salaries are subject to the committee's salary determination.

(2) Members of this Committee shall be chosen by all members of the Finance Committee with the exception of any finance Committee member who is on the Board of Directors; such Director shall be absent when the Finance Committee is establishing and/or choosing members of the Compensation Committee.

(3) In determining compensation, this Committee shall consult comparability data, other applicable data, and relevant facts concerning the individual whose salary is being reviewed.

(4) A majority of this Committee shall agree on a salary range and submit their determination to the Board of Directors.

d. The Finance Committee shall determine which job positions within the corporation shall be subject to the Compensation Committee's review per subsection "c", above.

ARTICLE SIX

Contracts, Checks, Deposits, Bonding and Contributions

Section 1. Contracts and Other Instruments.

The Board of Directors may authorize any officer or officers, director or directors, or agent or agents of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or be confined to specific instances, not incompatible with the Articles of Incorporation or Bylaws.

Section 2. Checks

All checks, drafts, or orders for payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, or agent or agents of the Corporation, and in such manner as shall from time to time be determined by the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the President or any other officer authorized by the President.

Section 3. Deposits

All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 4. Bonding

Officers and employees, as determined by the Board of Directors, may be bonded by a surety company for the safeguard of funds, securities, and records. The amount of the bond, if any, shall be fixed by the Board of Directors. Cost of the bond shall be borne by the Corporation.

Section 5. Contributions

The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation.

ARTICLE SEVEN

Fiscal Year

The fiscal year of the corporation will be from May 1st to April 30th the following year.

ARTICLE EIGHT

Seal

The Board of Directors may, as it shall deem appropriate, provide a corporate seal.

ARTICLE NINE

Amendments to Bylaws

These Bylaws may be altered or amended if the proposed amendment is approved by a two-thirds (2/3) majority vote of all directors then in office at a duly called and convened meeting of the Board of Directors. The Corporation shall provide notice of any meeting in which such an amendment to the Bylaws is to be approved, pursuant to Section 9 of Article Three of these Bylaws. In addition, the notice must state that a purpose of the meeting is to consider an amendment to the Bylaws. The notice must also contain a copy, summary, or statement of the general nature of the amendment to be considered.

ARTICLE TEN

Personal Indemnification

Section 1. Indemnification of Directors.

The Corporation shall indemnify a director who was wholly successful, on the merits of otherwise, in the defense of any proceeding to which the director was a party because he is or was a director of the Corporation against reasonable expenses, including legal fees, actually incurred by the director in connection with the proceeding.

Section 2. Indemnification of Others.

Except to the extent prohibited in Section 355.476(7) of the Missouri Nonprofit Corporation Act, which prohibits indemnification on account of any person's conduct which was finally adjudged to have been knowing, fraudulent, deliberately dishonest, or willful misconduct, the Corporation shall, by policy or other agreement, undertake to indemnify any director, officer, employee, or agent of the Corporation against loss or expense incurred by him as a result of his service in such position. The Corporation shall endeavor to acquire and maintain adequate policies of insurance to protect any director, officer, employee, or agent against personal liability for such loss or expenses.

ARTICLE ELEVEN

Director Liability

Section 1. Personal Liability of Directors.

A director who votes for or assents to an illegal distribution is personally liable to the Corporation for the amount of the distribution that exceeds what could have been distributed without violating the law, unless the director relies on information described in Section 2.

Section 2. Reliance on Information.

A director may rely on information, opinions, reports, or statements, financial statements, and other financial data prepared of presented by:

a. an officer or employee of the Corporation reasonably believed by the director to be reliable and competent in the matters presented;

b. legal counsel, certified public accountants, or other persons as to matters the director reasonably believes are within the person's professional or expert competence; or

c. a committee of the board of which the director is not a member, as to matters within its jurisdiction, if the director believes the committee merits confidence.

A director is not acting in good faith if he has knowledge concerning the matter in question that makes unwarranted any reliance otherwise permitted by this Section.

ARTICLE TWELVE

Construction Permits

The Corporation has been authorized by unanimous vote of its Board of Directors to file applications for up to ten (10) construction permits for new non-commercial educational FM stations at various locations throughout the United States, including: Houma, Louisiana; Harrisburg, Illinois; Macomb, Illinois; Murphysboro, Illinois; Sparta, Illinois; Seymour, Indiana; Eldon, Missouri; Kirksville, Missouri; Dexter, Missouri; and Manly, Iowa. None of these proposed stations would have "principal city" contour overlap (as the term is understood in the rules and regulations of the Federal Communications Commission) with any other station to be applied for by the Corporation, and so long as any of those applications are pending, and for four years after any station resulting from any of the listed applications commences operation, neither the Corporation nor any officer or director will have an attributable ownership interest (as the term is understood in the rules and regulations of the Federal Communications Commission) with any other broadcast station or application which would have "principal city" contour overlap with one or more of the stations applied for.

COVENANT NETWORK

AMENDMENTS

Section	Effect of Amendment	Date of Amendment
Art 3, Sec 7	Create Finance Committee	January 30, 1998
Exhibit A	Bylaws of Covenant Network	December 11, 2007
Art 12	Construction Permits	October 18, 2007
Art 3, 4 , and 7	Provide for Emergency election of Directors	June 7, 2009
Art. 5, Sec. 4 and 7	Amend Rules and Finance; Authorize Compensation Committee	June 25, 2012

Form **8868**

(Rev January 2012)

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 . ▶ ☐
- 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.

Enter filer's identifying number, see instructions

Type or print	Name of exempt organization or other filer, see instructions Covenant Network	Employer identification number (EIN) or ☒ 43-1768606
File by the due date for filing your return See instructions	Number, street, and room or suite no If a P O. box, see instructions 4424 Hampton Ave.	Social security number (SSN) ☐
	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	01	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 12/15/2012, to file the exempt organization return for the organization named above The extension is for the organization's return for:

▶ ☐ calendar year ______ or

▶ ☒ tax year beginning 5/1/2011 , and ending 4/30/2012 .

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