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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 07-01-2011 and ending 06-30-2012

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

C Name of organization
SOUTHWEST INITIATIVE FOUNDATION

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
15 3RD AVE NW

City or town, state or country, and ZIP + 4
HUTCHINSON, MN 55350

D Employer identification number
41-1555592

E Telephone number
(320) 587-4848

G Gross receipts $ 41,644,090

F Name and address of principal officer
SHERRY E RISTAU
15 3RD AVE NW
HUTCHINSON, MN 55350

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

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

J Website: ▶ WWW SWIFOUNDATION ORG

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

L Year of formation 1986

M State of legal domicile MN

Part I Summary

1 Briefly describe the organization's mission or most significant activities
A REGIONAL COMMUNITY FOUNDATION DEDICATED TO ADVANCING SOUTHWEST MINNESOTA

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**	11
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	11
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	**5**	26
6	Total number of volunteers (estimate if necessary)	**6**	200
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	-15,191
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	-15,191

		Prior Year	Current Year
Revenue	**8** Contributions and grants (Part VIII, line 1h)	4,773,725	4,024,754
	9 Program service revenue (Part VIII, line 2g)	520,490	801,379
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,244,675	1,401,470
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	54,400	84,177
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	6,593,290	6,311,780
Expenses	**13** Grants and similar amounts paid (Part IX, column (A), lines 1–3)	818,997	1,416,545
	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)	1,611,361	1,705,663
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶503,063		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	1,943,017	1,385,902
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	4,373,375	4,508,110
	19 Revenue less expenses Subtract line 18 from line 12	2,219,915	1,803,670

		Beginning of Current Year	End of Year
Net Assets or Fund Balances	**20** Total assets (Part X, line 16)	62,965,247	64,842,237
	21 Total liabilities (Part X, line 26)	7,337,619	8,063,056
	22 Net assets or fund balances Subtract line 21 from line 20	55,627,628	56,779,181

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

****** 2012-12-14
Signature of officer — Date

SHERRY E RISTAU PRESIDENT/CEO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature: KRISTIN L SCHMIDT | Date | Check if self-employed ☐ | Preparer's taxpayer identification number (see instructions) P01487323

Firm's name (or yours if self-employed), address, and ZIP + 4: CLIFTONLARSONALLEN LLP, 220 SOUTH SIXTH STREET SUITE 300, MINNEAPOLIS, MN 55402 | EIN ▶ 41-0746749 | Phone no ▶ (612) 376-4500

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

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

SWIF'S MISSION IS TO BE A CATALYST, FACILITATING OPPORTUNITIES FOR ECONOMIC AND SOCIAL GROWTH BY DEVELOPING AND CHALLENGING LEADERS TO BUILD ON THE REGION'S ASSETS SWIF IS A SINGLE CONNECTION OFFERING UNLIMITED POSSIBILITIES TO GROW AND PROMOTE PEOPLE, BUSINESSES, ENTREPRENEURS AND COMMUNITIES IN RURAL SOUTHWEST MINNESOTA AS A REGIONAL COMMUNITY FOUNDATION, SWIF BRINGS TOGETHER THE EXPERTISE, RESOURCES AND INSPIRATION TO MAKE ITS COMMUNITIES AND REGION STRONGER SWIF WORKS TO ENSURE THAT ITS 18-COUNTY SERVICE AREA IS A HIGHLY PRODUCTIVE AND ENGAGED REGION WHERE GROWING NUMBERS OF PEOPLE CHOOSE TO LIVE AND WORK THE FOUNDATION IS GOVERNED BY A 12-MEMBER BOARD OF DIRECTORS REPRESENTING DIVERSE GEOGRAPHIC LOCATIONS, PROFESSIONS AND BACKGROUNDS TO HELP GUIDE SWIF'S COMMUNITY LEADERSHIP DEVELOPMENT, ECONOMIC DEVELOPMENT AND LOAN PROGRAMS, REGIONAL CAPACITY BUILDING, GRANTMAKING AND PHILANTHROPIC INITIATIVES LEARN MORE ABOUT SWIF'S MISSION AND WORK AT WWW SWIFOUNDATION ORG

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 $ 1,333,711 including grants of $ 89,898) (Revenue $ 661,667)

LOAN PROGRAMS SWIF LOAN PROGRAMS, INCLUDING ITS BUSINESS FINANCE PROGRAM, SUPPORT ECONOMIC DEVELOPMENT AND GROWTH THROUGHOUT SOUTHWEST MINNESOTA BY PROVIDING GAP FINANCING TO START, EXPAND, AND TRANSITION BUSINESSES LOCATED IN ITS 18-COUNTY SERVICE AREA ELIGIBLE PROJECTS MUST CREATE AND RETAIN JOBS THAT PROVIDE A LIVING WAGE WITH BENEFITS, GENERATE NEW WEALTH FOR THE REGION AND DIVERSIFY THE ECONOMY OF SOUTHWEST MINNESOTA LOAN FUNDS MAY BE USED FOR MACHINERY AND EQUIPMENT, INVENTORY, WORKING CAPITAL AND REAL ESTATE FOR THE FISCAL YEAR, SEVEN LOANS WERE MADE THROUGH THIS PROGRAM TOTALING $814,500 THE MICROENTERPRISE LOAN PROGRAM HELPS ENTREPRENEURS DEVELOP SMALL BUSINESSES AND SELF-EMPLOYMENT OPPORTUNITIES THIS PROGRAM PROVIDES LOAN FUNDS NOT TO EXCEED $50,000 TO BE USED FOR START-UP COSTS, EQUIPMENT, INVENTORY, FURNITURE AND FIXTURES AND WORKING CAPITAL THIS PROGRAM ALSO PROVIDES CUSTOMIZED SUPPORT FOR ENTREPRENEURS THROUGH ON-GOING TECHNICAL ASSISTANCE AND TRAINING AS NEEDED FOR THE LENGTH OF THE LOAN ELIGIBLE BUSINESSES MAY BE START-UP OR EXPANSION PROJECTS INCLUDING, BUT NOT LIMITED TO, MANUFACTURING, SERVICE, RETAIL AND CHILD CARE FOR THE FISCAL YEAR, 40 LOANS WERE MADE OUT OF THIS PROGRAM TOTALING $509,110 ADDITIONALLY, SWIF IS MAKING INVESTMENTS THAT SUPPORT THE REGION'S ECONOMIC ASSET SECTORS OF RENEWABLE ENERGY, FOOD AND AGRICULTURE, BIOSCIENCE, AND MANUFACTURING BY PROMOTING THESE INDUSTRIES AND THE OPPORTUNITIES THEY PRESENT, AS WELL AS FACILITATING DISCUSSIONS AND SOLUTIONS TO THE CHALLENGES THAT MAY ACCOMPANY THEM

4b (Code) (Expenses $ 1,270,123 including grants of $ 1,141,785) (Revenue $ 0)

COMMUNITY FOUNDATIONS AND DESIGNATED FUNDS MANY DONORS FIND COMMUNITY AND DESIGNATED FUNDS ATTRACTIVE OPTIONS TO SUPPORT THEIR CHARITABLE INTERESTS WHILE RELIEVING THEM OF THE ADMINISTRATIVE RESPONSIBILITIES THAT CAN OFTEN BECOME OVERWHELMING FOR FAMILIES AND VOLUNTEERS SWIF CURRENTLY SERVES 24 COMMUNITY FOUNDATION FUND PARTNERS AND MORE THAN 80 DESIGNATED FUND PARTNERS SWIF'S COMMUNITY FOUNDATION PROGRAM IS A TRUE PARTNERSHIP BETWEEN SWIF AND THE LOCAL COMMUNITY - ONE THAT HAS PROVEN TO BE MUTUALLY BENEFICIAL AND AN EFFECTIVE MEANS TO RETAIN CHARITABLE DOLLARS FOR THE BENEFIT OF SOUTHWEST MINNESOTA COMMUNITIES SWIF PROVIDES THE ADMINISTRATIVE AND 501(C)(3) INFRASTRUCTURE TO ITS COMMUNITY FOUNDATION FUNDS IT ALSO PROVIDES ONGOING TECHNICAL AND PROFESSIONAL SUPPORT IN AREAS SUCH AS STRATEGIC PLANNING, FUNDRAISING, MARKETING, PUBLIC RELATIONS AND GRANTMAKING COMMUNITY FOUNDATION FUNDS ARE ADVISED BY LOCAL COMMITTEES OF COMMUNITY LEADERS WHO ARE RESPONSIBLE FOR RAISING FUNDS, RECOMMENDING GRANTEES AND RAISING PUBLIC AWARENESS SINCE SWIF'S GRANTMAKING IS TARGETED TO PROJECTS RELATED TO ITS CURRENT PRIORITY AREAS, COMMUNITY FOUNDATION FUNDS OFTEN FILL A VALUABLE NICHE BY FUNDING WORTHWHILE PROJECTS THAT DON'T FIT WITHIN SWIF'S CURRENT GRANT CRITERIA SWIF OFFERS A VARIETY OF DESIGNATED FUNDS DESIGNED TO HELP DONORS MEET THEIR UNIQUE PHILANTHROPIC GOALS DESIGNATED FUNDS CAN BE ENDOWED OR NON-ENDOWED (PASS-THROUGH) AND ARE CREATED WITH A SPECIFIC PURPOSE IN MIND IN MOST CASES, A DESIGNATED FUND IS ADVISED BY A LOCAL COMMITTEE OF VOLUNTEER LEADERS THE COMMITTEE RAISES MONEY FOR THE FUND, RECOMMENDS GRANT DISTRIBUTIONS, AND RAISES PUBLIC AWARENESS SWIF PROVIDES ASSISTANCE IN THE PLANNING AND DEVELOPMENT OF DESIGNATED FUNDS IT ALSO ADMINISTERS THE FUNDS AND PROVIDES ONGOING TECHNICAL AND PROFESSIONAL SUPPORT AS NEEDED, IN AREAS SUCH AS FUNDRAISING, MARKETING, PUBLIC RELATIONS AND GRANTMAKING DESIGNATED FUNDS CAN RECEIVE MANY TYPES OF GIFTS, INCLUDING CASH, APPRECIATED STOCK, REAL ESTATE AND PLANNED GIFTS, SUCH AS CHARITABLE GIFT ANNUITIES AND BEQUESTS FOR THE FISCAL YEAR, COMMUNITY AND DESIGNATED FUNDS MADE 220 GRANTS TOTALING $1,141,785

4c (Code) (Expenses $ 779,690 including grants of $ 184,862) (Revenue $ 139,712)

LEADERSHIP & COMMUNITY DEVELOPMENT PROGRAMS SWIF TAKES A LEADERSHIP ROLE IN HELPING THE SOUTHWEST MINNESOTA REGION ADVANCE ECONOMICALLY BY IDENTIFYING AND SUPPORTING KEY ASSET SECTORS AND PREPARING REGIONAL, BUSINESS AND COMMUNITY LEADERS TO CAPITALIZE ON THEM SWIF IS WORKING TO FURTHER FACILITATE ADVANCEMENT OF KEY ASSET SECTORS AND KEEP THE RESULTING WEALTH IN THE REGION OUR WORK HAS FOCUSED RECENTLY ON PROGRAMS THAT SUPPORT BUSINESS DEVELOPMENT, BUSINESS LEADERSHIP DEVELOPMENT AND YOUTH ENERGY SUMMIT (YES!) PROGRAM YES! IS A TEAM-ORIENTED YOUTH PROGRAM THAT USES HANDS-ON, EXPERIENTIAL LEARNING AND ENERGY ACTION PROJECTS TO ADDRESS ENERGY OPPORTUNITIES AND ISSUES IN RURAL MINNESOTA COMMUNITIES THE PROGRAM EMPOWERS YOUTH AND INSPIRES WIDESPREAD ADOPTION OF CLEAN ENERGY TECHNOLOGY AND ENERGY CONSERVATION PRACTICES WHICH CONTRIBUTE TO THE ENVIRONMENTAL AND ECONOMIC HEALTH OF RURAL MINNESOTA COMMUNITIES LEADERSHIP FORUMS, SEMINARS AND OTHER CONVENINGS PROVIDE OPPORTUNITIES FOR BUSINESS LEADERS TO NETWORK AND GAIN ACCESS TO RESOURCES THAT WILL SUPPORT AND FURTHER THEIR BUSINESS AND STRENGTHEN THE REGION'S ECONOMY THE NONPROFIT LEADER'S ACADEMY IS ASSISTING NONPROFIT AND ORGANIZATIONAL LEADERS IN SOUTHWEST MINNESOTA BUILD CAPACITY BY ENCOURAGING AND PROVIDING PERSONAL LEADERSHIP DEVELOPMENT NONPROFIT LEADERS ARE RECRUITED TO PARTICIPATE IN AN ENGAGING AND INTENSIVE DEVELOPMENT SESSION AND GIVEN TOOLS TO BETTER ACCOMPLISH THEIR WORK AND THEIR ORGANIZATIONS' MISSIONS IN ADDITION, SWIF CONTINUES TO HONE ITS UNIQUE AND EFFECTIVE FACILITATION MODEL AND CREATED A FACILITATION AND TRANSFER FIELD GUIDE WHICH ENSURES THAT ALL PARTNERS WORKING WITH SWIF RECEIVE A COORDINATED APPROACH TO LEADERSHIP DEVELOPMENT COMMUNITY FOUNDATION AND DESIGNATED FUND VOLUNTEERS ALSO RECEIVE INTENTIONAL LEADERSHIP AND CAPACITY BUILDING TRAINING AS PART OF THE FUND ORGANIZING PROCESS AND THROUGH ONGOING TECHNICAL ASSISTANCE SWIF IS ENGAGED IN THE MINNESOTA EARLY CHILDHOOD INITIATIVE, A NETWORK OF COALITIONS FOCUSED ON QUALITY CARE AND EDUCATIONAL OPPORTUNITIES FOR CHILDREN AGES BIRTH TO 5, TO HELP ENSURE THAT ALL OF SOUTHWEST MINNESOTA'S YOUNGEST CHILDREN THRIVE, AND HAVE A HEALTHY LIFE OF LEARNING, ACHIEVING, AND SUCCEEDING THE MINNESOTA THRIVE INITIATIVE IS PART OF THE MINNESOTA EARLY CHILDHOOD INITIATIVE THE OVERARCHING GOAL OF THRIVE IS TO CREATE SEAMLESS SYSTEMS OR NETWORKS OF LOCAL SERVICES THAT SUPPORT THE HEALTHY SOCIAL AND EMOTIONAL DEVELOPMENT OF MINNESOTA'S YOUNGEST CHILDREN AGES BIRTH TO 5, WITH AN EMPHASIS ON THE FIRST THREE YEARS OF LIFE SWIF ACCOMPLISHES THESE GOALS BY WORKING WITH 16 SELECTED COALITION COMMUNITIES LOCATED THROUGHOUT THE 18 COUNTIES OF SOUTHWEST MINNESOTA IN ADDITION, LIMITED GRANT FUNDS ARE AVAILABLE TO PURSUE PARTNERSHIPS ON EARLY CARE AND EDUCATION PROJECTS THAT HAVE A REGION-WIDE SCOPE, WHICH HAVE INCLUDED TRAININGS FOR PROFESSIONALS, FAMILY-FRIENDLY EVENTS AND OTHER ACTIVITIES THAT ENGAGE THE COMMUNITIES AND RAISE AWARENESS OF YOUNG CHILDREN'S NEEDS IN THE PAST YEAR, SWIF'S REGIONAL IMPACT GRANTS SUPPORTED THE FINAL HONOR FLIGHT SOUTHWEST MINNESOTA WHICH IN THREE FLIGHTS SINCE 2010, SENT 300 SOUTHWEST MINNESOTA VETERANS TO WASHINGTON, D C ON TRIPS TO SEE THEIR MEMORIALS THROUGH A LOCAL IMPACT GRANTS EFFORT IN 2012, SWIF AWARDED $1,000 GRANTS TO EACH FOOD SHELF IN SOUTHWEST MINNESOTA FOR A TOTAL OF $34,000 THE CHECKS WERE DELIVERED IN PERSON BY SWIF BOARD AND STAFF TO SEE WHAT OUR LOCAL FOOD SHELVES DO IN THE COMMUNITY GRANTS WERE AWARDED DURING MARCH'S FOOD SHARE DRIVE SO MANY OF THE GIFTS WERE LEVERAGED AND MATCHED TO INCREASE THE LOCAL IMPACT

4d Other program services (Describe in Schedule O)

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

4e Total program service expenses ▶ $ 3,383,524

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
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		No
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	Yes	
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		No
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	Yes	
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		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
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		No
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	Yes	
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, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
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	Yes	
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		No
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		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e	Yes	
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	Yes	
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		No
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	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
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, Part I*	14b		No
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 U S ? *If "Yes," complete Schedule F, Part II and IV*	15		No
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 U S ? *If "Yes," complete Schedule F, Part III and IV*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		No
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		No
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		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a		No
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b		

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**	Yes	
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**		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 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**	Yes	
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 questions 24b–24d and complete Schedule K. If "No," go to line 25*	**24a**	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		No
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**		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		No
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**		No
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**		No
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**	Yes	
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**27**		No
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**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
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 owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
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**		No
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**	Yes	
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**		No
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	**35a**		No
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**		No
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
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**		No
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**	Yes	

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**	32		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	**1b**	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			**1c**		
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**	26		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			**2b**	Yes	
	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**	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			**3b**	Yes	
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 or securities account)?			**4a**		No
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**		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			**5b**		No
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**		No
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**		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			**7b**		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			**7c**		No
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**		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .			**7f**		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			**7g**		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			**7h**		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			**8**		No
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			**9a**		No
b	Did the organization make a distribution to a donor, donor advisor, or related person?			**9b**		No
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? **Note.** All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state			**13a**		
b	Enter the aggregate 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 aggregate amount of reserves on hand	**13c**				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			**14a**		No
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 lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	11		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	11		
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		No
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		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .		5		No
6	Did the organization have members or stockholders?		6		No
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		No
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		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?		8a	Yes	
b	Each committee with authority to act on behalf of the governing body?		8b	Yes	
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		No

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		No
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		No
b	Describe in Schedule O the process, if any, used by the organization to review the Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	Yes	
b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
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	Yes	
13	Did the organization have a written whistleblower policy?	13	Yes	
14	Did the organization have a written document retention and destruction policy?	14	Yes	
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	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	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		No
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 ▶ MN

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply

☐ Own website ☑ Another's website ☑ Upon request

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public See Additional Data Table

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶

DIANA ANDERSON VICE PRESIDENTCOO
15 3RD AVE NW
HUTCHINSON, MN 55350
(320) 587-4848

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, and **current** key employees 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, or 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 organizations compensated any current or former 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)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) BILL MCCORMACK CHAIR	3 00	X		X				680	0	0
(2) ROB SAUNDERS VICE-CHAIR	3 00	X		X				0	0	0
(3) JANICE NELSON TREASURER	3 00	X		X				0	0	0
(4) GARY GEIGER SECRETARY	3 00	X		X				600	0	0
(5) SANDER LUDEMAN PAST-CHAIR	3 00	X		X				0	0	0
(6) TIM CONNELL BOARD MEMBER	3 00	X						0	0	0
(7) MARCY COSTELLO BOARD MEMBER	3 00	X						0	0	0
(8) JIM KEUL BOARD MEMBER	3 00	X						0	0	0
(9) CONNIE VANDERBILL MEDIN BOARD MEMBER	3 00	X						0	0	0
(10) H CRIS REMUCAL BOARD MEMBER	3 00	X						0	0	0
(11) ROBERT THURSTON BOARD MEMBER	3 00	X						0	0	0
(12) SHERRY E RISTAU PRESIDENT	50 00			X				131,011	0	33,626
(13) DIANA ANDERSON VICE PRESIDENT/COO	50 00			X				94,726	0	20,382

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)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b **Sub-Total** . . . . . ▶										
c **Total from continuation sheets to Part VII, Section A** . . . . ▶										
d **Total (add lines 1b and 1c)** . . . . . ▶								227,017	0	54,008

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 ▶ 1

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	**3**		No
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**	Yes	
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**		No

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

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				
	b	Membership dues 1b				
	c	Fundraising events 1c				
	d	Related organizations . . . 1d				
	e	Government grants (contributions) 1e 375,311				
	f	All other contributions, gifts, grants, and similar amounts not included above 1f 3,649,443				
	g	Noncash contributions included in lines 1a-1f $ 676,134				
	h	**Total.** Add lines 1a-1f . . . . . ▶	4,024,754			
Program Service Revenue		Business Code				
	2a	LOAN INTEREST 522100	415,514	415,514		
	b	RECOVERY OF LOAN LOSSE 900099	233,858	233,858		
	c	PROJECT SPECIFIC REV 900099	71,303	71,303		
	d	OTHER PROGRAM INCOME 900099	68,409	68,409		
	e	LOAN ADMIN FEES 900099	12,295	12,295		
	f	All other program service revenue				
	g	**Total.** Add lines 2a–2f . . . . . ▶	801,379			
	3	Investment income (including dividends, interest and other similar amounts) . . . . . ▶	1,052,517			1,052,517
	4	Income from investment of tax-exempt bond proceeds . . ▶				
	5	Royalties . . . . . ▶				
		(i) Real / (ii) Personal				
	6a	Gross rents 274,492				
	b	Less rental expenses 190,315				
	c	Rental income or (loss) 84,177				
	d	Net rental income or (loss) . . . . . ▶	84,177		-15,191	99,368
		(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory 35,490,948				
	b	Less cost or other basis and sales expenses 35,137,297 / 4,698				
	c	Gain or (loss) 353,651 / -4,698				
	d	Net gain or (loss) . . . . . ▶	348,953			348,953
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . . a				
	b	Less direct expenses . . . b				
	c	Net income or (loss) from fundraising events . . ▶				
	9a	Gross income from gaming activities See Part IV, line 19 . . . a				
	b	Less direct expenses . . . b				
	c	Net income or (loss) from gaming activities . . ▶				
	10a	Gross sales of inventory, less returns and allowances . a				
	b	Less cost of goods sold . . b				
	c	Net income or (loss) from sales of inventory . . ▶				
		Miscellaneous Revenue / Business Code				
	11a					
	b					
	c					
	d	All other revenue				
	e	**Total.** Add lines 11a–11d . . . . . ▶				
	12	**Total revenue.** See Instructions . . . ▶	6,311,780	801,379	-15,191	1,500,838

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	1,416,545	1,416,545		
2	Grants and other assistance to individuals in the United States See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	283,071	91,022	101,428	90,621
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	1,102,842	789,865	152,740	160,237
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	59,632	42,060	8,534	9,038
9	Other employee benefits	165,551	108,774	34,530	22,247
10	Payroll taxes	94,567	61,101	16,744	16,722
11	Fees for services (non-employees)				
a	Management				
b	Legal	80,450	65,338	4,810	10,302
c	Accounting	24,983	14,838	6,320	3,825
d	Lobbying				
e	Professional fundraising *See Part IV, line 17* . .				
f	Investment management fees	138,037		138,037	
g	Other	96,864	54,038	42,826	
12	Advertising and promotion	14,239	8,652	2,957	2,630
13	Office expenses	128,176	82,603	19,258	26,315
14	Information technology	99,787	53,343	31,558	14,886
15	Royalties . .				
16	Occupancy	114,391	34,327	46,430	33,634
17	Travel	175,420	130,718	33,967	10,735
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	122,900	72,431	45,910	4,559
20	Interest	63,470	63,470		
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	139,014	83,913	30,746	24,355
23	Insurance	31,437	22,891	4,750	3,796
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	FUNDRAISING COSTS	64,146			64,146
b	PUBLIC RELATIONS	15,709	1,180	14,529	
c	SUBSCRIPTIONS AND DUES	14,698	7,158	5,025	2,515
d	COMPONENT FUND FEES	7,609	151,254	-143,645	
e					
f	All other expenses	54,572	28,003	24,069	2,500
25	**Total functional expenses.** Add lines 1 through 24f	4,508,110	3,383,524	621,523	503,063
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		3,600	1	3,600
	2	Savings and temporary cash investments		1,329,751	2	1,221,393
	3	Pledges and grants receivable, net		938,704	3	584,752
	4	Accounts receivable, net			4	
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		363,386	5	321,713
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net		5,573,475	7	5,641,511
	8	Inventories for sale or use			8	
	9	Prepaid expenses and deferred charges		8,807	9	20,959
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 3,424,259			
	b	Less accumulated depreciation	10b 707,848	2,810,362	10c	2,716,411
	11	Investments—publicly traded securities		48,890,821	11	47,911,213
	12	Investments—other securities See Part IV, line 11		2,966,235	12	6,338,622
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		80,106	15	82,063
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		62,965,247	16	64,842,237
Liabilities	17	Accounts payable and accrued expenses		211,253	17	230,469
	18	Grants payable		49,626	18	102,629
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		3,110,631	20	3,023,431
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*		757,845	21	814,682
	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		3,168,416	23	1,170,981
	24	Unsecured notes and loans payable to unrelated third parties			24	
	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		39,848	25	2,720,864
	26	**Total liabilities.** Add lines 17 through 25		7,337,619	26	8,063,056
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		16,615,352	27	16,382,776
	28	Temporarily restricted net assets		13,772,771	28	13,429,384
	29	Permanently restricted net assets		25,239,505	29	26,967,021
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		55,627,628	33	56,779,181
	34	Total liabilities and net assets/fund balances		62,965,247	34	64,842,237

Part XI Reconcilliation 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	6,311,780
2	Total expenses (must equal Part IX, column (A), line 25)	2	4,508,110
3	Revenue less expenses Subtract line 2 from line 1	3	1,803,670
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	55,627,628
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-652,117
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	56,779,181

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		No
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	Yes	
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 separated 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	Yes	
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	Yes	

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SCHEDULE A (Form 990 or 990EZ)

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
SOUTHWEST INITIATIVE FOUNDATION

Employer identification number
41-1555592

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 **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 the supported organization? **11g(i)**		
(ii) a family member of a person described in (i) above? **11g(ii)**		
(iii) a 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		

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

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

Part II **Support Schedule for Organizations Described in IRC 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 ")	3,933,135	4,675,264	4,179,235	4,773,725	4,024,754	21,586,113
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3	3,933,135	4,675,264	4,179,235	4,773,725	4,024,754	21,586,113
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)						7,916,361
6 **Public Support.** Subtract line 5 from line 4						13,669,752

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	3,933,135	4,675,264	4,179,235	4,773,725	4,024,754	21,586,113
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	2,552,074	1,658,635	933,625	1,122,176	1,327,009	7,593,519
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets	360	84,748				85,108
11 **Total support** (Add lines 7 through 10)						29,264,740

12 Gross receipts from related activities, etc (See instructions)	12	2,392,452

13 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 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	46 710 %
15 Public Support Percentage for 2010 Schedule A, Part II, line 14	15	44 540 %

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 the 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 IRC 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 ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public Support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support** (Add lines 9, 10c, 11 and 12)						

14 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 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	
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

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

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

Facts And Circumstances Test

Explanation

SCHEDULE A, PART II, LINE 10, EXPLANATION OF OTHER INCOME MISCELLANEOUS INCOME

Additional Data

Software ID:
Software Version:
EIN: 41-1555592
Name: SOUTHWEST INITIATIVE FOUNDATION

Form 990, Special Condition Description:

Special Condition Description

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SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

▶ **Complete if the organization is described below.**

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

OMB No 1545-0047

2011

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

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

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

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

If the organization answered "Yes," to Form 990, Part IV, Line 5 (Proxy Tax) or Form 990-EZ, line 35c (Proxy Tax), then

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

Name of the organization	Employer identification number
SOUTHWEST INITIATIVE FOUNDATION	41-1555592

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

1	Provide a description of the organization's direct and indirect political campaign activities on behalf of or in opposition to candidates for public office in Part IV		
2	Political expenditures	▶ $	0
3	Volunteer hours		0

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

1	Enter the amount of any excise tax incurred by the organization under section 4955	▶ $	0
2	Enter the amount of any excise tax incurred by organization managers under section 4955	▶ $	0
3	If the organization incurred a section 4955 tax, did it file Form 4720 for this year?		☐ Yes ☐ No
4a	Was a correction made?		☐ Yes ☐ No
b	If "Yes," describe in Part IV		

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

1	Enter the amount directly expended by the filing organization for section 527 exempt function activities	▶ $	
2	Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt funtion activities	▶ $	
3	Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b	▶ $	
4	Did the filing organization file **Form 1120-POL** for this year?		☐ Yes ☐ No

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

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

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

A Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing Organization's Totals	(b) Affiliated Group Totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)	6,500	
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)	6,500	
d Other exempt purpose expenditures	3,998,547	
e Total exempt purpose expenditures (add lines 1c and 1d)	4,005,047	
f Lobbying nontaxable amount Enter the amount from the following table in both columns	350,252	

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

g Grassroots nontaxable amount (enter 25% of line 1f)	87,563	
h Subtract line 1g from line 1a If zero or less, enter -0-	0	
i Subtract line 1f from line 1c If zero or less, enter -0-	0	

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

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

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) Total
2a Lobbying non-taxable amount		365,040	341,089	350,252	1,056,381
b Lobbying ceiling amount (150% of line 2a, column(e))					1,584,572
c Total lobbying expenditures		3,000	2,000	6,500	11,500
d Grassroots non-taxable amount		91,260	85,272	87,563	264,095
e Grassroots ceiling amount (150% of line 2d, column (e))					396,143
f Grassroots lobbying expenditures		3,000	2,000	6,500	11,500

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

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

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

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

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

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

Part IV Supplemental Information

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

Identifier	Return Reference	Explanation

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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, 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
SOUTHWEST INITIATIVE FOUNDATION

Employer identification number
41-1555592

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	12	147
2	Aggregate contributions to (during year)	36,600	2,400,853
3	Aggregate grants from (during year)	310,761	1,084,401
4	Aggregate value at end of year	423,579	56,355,601

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 may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit ☑ Yes ☐ No

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or pleasure)
☐ Preservation of an historically importantly land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

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

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable 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 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

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

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

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

b Assets included in Form 990, Part X ▶ $ _____

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

3 Using the organization's 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
d	Additions during the year	1d
e	Distributions during the year	1e
f	Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? ☑ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

		(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a	Beginning of year balance	36,818,901	30,144,384	27,283,214	31,513,900	
b	Contributions	1,277,905	1,623,255	1,072,159	1,191,470	
c	Investment earnings or losses	492,822	6,363,890	2,947,747	-3,894,669	
d	Grants or scholarships				188,432	
e	Other expenditures for facilities and programs	1,773,889	1,312,628	1,158,736	1,339,055	
f	Administrative expenses					
g	End of year balance	36,815,739	36,818,901	30,144,384	27,283,214	

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

- a Board designated or quasi-endowment ▶ 26 440 %
- b Permanent endowment ▶ 71 400 %
- c Term endowment ▶ 2 160 %

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)		No
(ii) related organizations	3a(ii)		No

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		1,015,000		1,015,000
b Buildings		1,669,402	249,029	1,420,373
c Leasehold improvements		150,325	56,636	93,689
d Equipment		589,532	402,183	187,349
e Other				
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				2,716,411

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		
(2) Closely-held equity interests		
(3) Other		
(A) DONATED REAL ESTATE HELD AS INVESTMENTS	1,360,500	C
(B) ASHLEY ESTATES	1,606,607	C
(C) FARMLAND WITH LIFE ESTATE	3,371,515	C
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶	6,338,622	

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

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

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

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

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
ANNUITY PAYABLE	24,431
CAPITAL LEASE PAYABLE	6,203
LIFE ESTATE LIABILITY	2,690,230
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	2,720,864

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 (ASC740)

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	6,311,780
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	4,508,110
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	1,803,670
4	Net unrealized gains (losses) on investments	4	-665,934
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	13,817
9	Total adjustments (net) Add lines 4 - 8	9	-652,117
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	1,151,553

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	5,446,911
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	-665,934		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d	53,737		
e	Add lines **2a** through **2d**			2e	-612,197
3	Subtract line **2e** from line **1**			3	6,059,108
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	138,037		
b	Other (Describe in Part XIV)	4b	114,635		
c	Add lines **4a** and **4b**			4c	252,672
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	6,311,780

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

1	Total expenses and losses per audited financial statements			1	4,295,358
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	-43,543		
e	Add lines **2a** through **2d**			2e	-43,543
3	Subtract line **2e** from line **1**			3	4,338,901
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	138,037		
b	Other (Describe in Part XIV)	4b	31,172		
c	Add lines **4a** and **4b**			4c	169,209
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	4,508,110

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, 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

Identifier	Return Reference	Explanation
	PART IV, LINE 2B	ASSETS HELD ON DONOR'S BEHALF CONSISTS OF SEVENTEEN FUNDS IN WHICH THE BENEFICIARIES WERE DESIGNATED BY THE DONOR AT THE TIME THE FUNDS WERE ESTABLISHED THEREFORE, THE FOUNDATION HAS NO CONTROL OVER THE DISTRIBUTION OF THESE FUNDS
DESCRIPTION OF INTENDED USE OF ENDOWMENT FUNDS	PART V, LINE 4	THE SWIF GENERAL ENDOWMENT FUND IS ACCESSED THROUGH BOARD APPROVAL, GUIDED BY A SPENDING POLICY THAT ALLOWS RESOURCES TO BE USED TO SUPPLEMENT PROGRAM ACTIVITIES AND OPERATION BUDGET EXPENSES OTHER DESIGNATED ENDOWED FUNDS ARE DIRECTED TO GRANTS AND EXPENSES RELATED TO THE DONOR'S ORIGINAL INTENT
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	THE FOUNDATION IS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE AND SIMILAR STATE INCOME TAX LAWS THE FOUNDATION IS A NON-PRIVATE FOUNDATION AND CONTRIBUTIONS TO THE ORGANIZATION QUALIFY AS A CHARITABLE TAX DEDUCTION BY THE CONTRIBUTOR AWSM LLC IS A 100% OWNED LLC AND AS SUCH IS CONSIDERED A DISREGARDED ENTITY FOR TAX PURPOSES IT IS THE POLICY OF THE FOUNDATION, IN ACCORDANCE WITH GAAP, TO ASSESS ANY UNCERTAIN TAX PROVISIONS AND, IF NECESSARY, RECORD A TAX ASSET OR LIABILITY, AND THE RELATED INCOME TAX EXPENSE, FOR ANY UNCERTAIN TAX PROVISIONS THE FOUNDATION DOES NOT HAVE ANY UNCERTAIN TAX POSITIONS OR UNRELATED BUSINESS INCOME THE FOUNDATION FOLLOWS THE ACCOUNTING STANDARDS FOR CONTINGENCIES IN EVALUATING UNCERTAIN TAX POSITIONS THIS GUIDANCE PRESCRIBES RECOGNITION THRESHOLD PRINCIPLES FOR THE FINANCIAL STATEMENT RECOGNITION OF TAX POSITIONS TAKEN OR EXPECTED TO BE TAKEN ON A TAX RETURN THAT ARE NOT CERTAIN TO BE REALIZED THE FOUNDATION'S TAX RETURNS ARE SUBJECT TO REVIEW AND EXAMINATION BY FEDERAL AND STATE AUTHORITIES THE TAX RETURNS FOR THE YEARS 2009 THROUGH 2011 ARE OPEN TO EXAMINATION BY FEDERAL AND STATE AUTHORITIES
PART XI, LINE 8 - OTHER ADJUSTMENTS		CHANGE IN AGENCY FUNDS -39,920 CHANGE IN VALUE OF SPLIT INTEREST AGREEMENTS 53,737 TOTAL TO SCHEDULE D, PART XI, LINE 8 13,817
PART XII, LINE 2D - OTHER ADJUSTMENTS		CHANGE IN SPLIT INTEREST AGREEMENT 53,737
PART XII, LINE 4B - OTHER ADJUSTMENTS		AGENCY FUND REVENUES 71,092 RENTAL EXPENSES -190,315 RECOVERY OF LOAN LOSSES 233,858
PART XIII, LINE 2D - OTHER ADJUSTMENTS		RENTAL EXPENSES 190,315 RECOVERY OF LOAN LOSSES -233,858
PART XIII, LINE 4B - OTHER ADJUSTMENTS		AGENCY FUND EXPENSES 31,172

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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
SOUTHWEST INITIATIVE FOUNDATION

Employer identification number
41-1555592

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . ☑ Yes ☐ No

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

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed . . . ▶ ☐

(a) Name and address of organization or government	(b) EIN	(c) IRC Code 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
See Additional Data Table							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . ▶ 35

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

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

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

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

Identifier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 THE GRANTS MANAGEMENT FUNCTION OF THE DATABASE IS THE REPOSITORY FOR ALL RECORDS RELATED TO GRANTS MADE AND/OR ASSISTANCE PROVIDED SWIF CONDUCTS RESEARCH TO VERIFY THE ELIGIBILITY OF ALL GRANTEES, USING RESOURCES SUCH AS GUIDESTAR AND THE IRS PUBLICATION 78 EACH ADVISED FUND COMMITTEE MUST SUBMIT A ROSTER OF THEIR ADVISORS FOR BOARD REVIEW AND APPROVAL ANNUALLY, AND CRITERIA FOR THEIR GRANT IS REVIEWED TO ENSURE COMPLIANCE WITH ALL STATE AND FEDERAL REGULATIONS AND MEETS THE REQUIRED CHARITABLE PURPOSE OF THE FUND AGREEMENTS IN PLACE

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 41-1555592
Name: SOUTHWEST INITIATIVE FOUNDATION

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
AMERICAN LEGION POST 636 PO BOX 12 LISMORE,MN 56155	41-6036977	501(C)(19)	10,891		N/A	N/A	KITCHEN REMODELING PROJECT
ARTHUR MOELLER POST 478 - AMERICAN LEGION102 W MAIN ST HARDWICK,MN 56134	41-0909369	501(C)(19)	40,102		N/A	N/A	HONOR FLIGHT SOUTHWEST MINNESOTA

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
BERGEN LUTHERAN CHURCH4603 310TH AVE GRANITE FALLS, MN 56241	41-1290187	501(C)(3)	5,000		N/A	N/A	CAPITAL IMPROVEMENTS
BIOBUSINESS ALLIANCE OF MINNESOTA1550 UTICA AVE S STE 740 ST LOUIS PARK,MN 55416	20-2474734	501(C)(3)	30,000		N/A	N/A	DEVELOP BIOINDUSTRIAL PLAN AND STRATEGY

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
BLUE AND GOLD EDUCATIONAL FOUNDATION OF DISTRICT 8307 1ST ST W CANBY,MN 56220	41-1522315	501(C)(3)	19,150		N/A	N/A	CANBY HIGH SCHOOL SCHOLARSHIP AWARDS
CARR FAMILY FOUNDATIONPO BOX 1215 MARSHALL,MN 56258	32-6182936	501(C)(3)	254,422		N/A	N/A	SUPPORT YOUTH ACTIVITIES IN SOUTHWESTERN MINNESOTA

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
CITY OF APPLETON323 W SCHLIEMAN AVE APPLETON,MN 56208	41-6004938	CITY OF APPLETON	137,885		N/A	N/A	GOLF COURSE CAPITAL IMPROVEMENTS
CITY OF LISMORE 249 E 2ND ST LISMORE,MN 56155	41-6005319	CITY OF LISMORE	25,500		N/A	N/A	FIRE DEPARTMENT VEHICLE AND EQUIPMENT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
CITY OF MADISON404 6TH AVE MADISON,MN 56256	41-6005335	CITY OF MADISON	5,182		N/A	N/A	SUPPORT ACTIVITIES AT PUBLIC LIBRARY
CITY OF MARSHALL344 W MAIN ST MARSHALL,MN 56258	41-6005351	CITY OF MARSHALL	63,615		N/A	N/A	SUPPORT PHASE 1 OF LIBRARY PROJECT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
CITY OF PIPESTONE119 2ND AVE SW STE 9 PIPESTONE,MN 56164	41-6005460	CITY OF PIPESTONE	165,000		N/A	N/A	HARMON PARK RESTORATION PROJECT
CLARKFIELD CARE CENTER805 5TH ST CLARKFIELD,MN 562230458	41-1279578	501(C)(3)	5,560		N/A	N/A	SUPPORT OPERATIONS OF CLARKFIELD AMBULANCE

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
COUNCIL ON FOUNDATIONS 2121 CRYSTAL DR STE 700 ARLINGTON,MN 22202	13-6068327	501(C)(3)	20,000		N/A	N/A	2012 ANNUAL MEMBERSHIP
DAKOTA WICOHAN PO BOX 26 MORTON,MN 56270	42-1552956	501(C)(3)	10,000		N/A	N/A	SUPPORT AFTER SCHOOL AND SUMMER PROGRAMMING

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
ENTERPRISE MINNESOTA310 4TH AVE S STE 7050 MINNEAPOLIS,MN 554012551	41-1595930	501(C)(3)	5,000		N/A	N/A	PEER COUNCIL FOR MANUFACTURING COMPANIES
GRANITE FALLS LIVING AT HOMEBLOCK NURSING752 PRENTICE ST GRANITE FALLS,MN 56241	41-1971745	501(C)(3)	5,000		N/A	N/A	PREVENT FALLS BY THE ELDERLY

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
HEARTLAND COMMUNITY ACTION AGENCY 200 4TH ST SW WILLMAR, MN 562011359	41-0904860	501(C)(3)	10,000		N/A	N/A	CONSULTANT FEES FOR COLLABORATIVE EFFORTS
HOUSE OF HOPE MINNESOTA INC PO BOX 26 MARSHALL, MN 56258	20-0652270	501(C)(3)	5,000		N/A	N/A	SUPPORT FOR HOUSE OF HOPE ACTIVITIES

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
HUTCHINSON JAYCEESPO BOX 624 HUTCHINSON,MN 55350	41-1430060	501(C)(4)	5,000		N/A	N/A	PURCHASE PLAYGROUND EQUIPMENT
ISD #2169 - MURRAY COUNTY CENTRAL2420 28TH ST SLAYTON,MN 561721457	41-1778191	INDEP SCH DIST #2169	5,000		N/A	N/A	SECURE LOCAL COMMUNITY LIAISON

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
ISD #2534 - BOLD 701 S 9TH ST OLIVIA,MN 562771599	41-1719361	INDEP SCH DIST #2534	10,000		N/A	N/A	ESTABLISH PROJECTS TO FURTHER VISION
ISD #2853 - LAC QUI PARLE VALLEY2860 291ST AVE MADISON,MN 56256	41-1837788	INDEP SCH DIST #2853	15,000		N/A	N/A	ESTABLISH PROJECTS TO FURTHER VISION

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
ISD #2903 ORTONVILLE PUBLIC SCHOOL 200 TROJAN DR ORTONVILLE,MN 56278	41-6000273	INDEP SCH DIST #2903	9,835		N/A	N/A	ENHANCEMENT OF PLAYGROUND
ISD #347 - WILLMAR611 5TH ST SW WILLMAR,MN 56201	41-6001746	INDEP SCH DIST #347	28,500		N/A	N/A	PROMOTE MUSIC LITERACY

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
ISD #403 - IVANHOE421 N REBECCA ST IVANHOE,MN 561420009	41-6001990	INDEP SCH DIST #403	15,592		N/A	N/A	PURCHASE A MINIVAN
ISD #775 - KERKHOVENMURDOCKSUNBURG 302 15TH ST N KERKHOVEN,MN 56252	41-1329385	INDEP SCH DIST #775	20,000		N/A	N/A	ESTABLISH PROJECTS TO FURTHER VISION

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
JACKSON COMMUNITY FOUNDATIONPO BOX 114 JACKSON,MN 56143	41-1555592	501(C)(3)	13,000		N/A	N/A	PROVIDE SCHOLARSHIPS TO GRADUATING SENIORS
LAKE SHETEK LET'S GO FISHING 33 VALHALLA DR SLAYTON,MN 56172	48-1259413	501(C)(3)	5,000		N/A	N/A	DEVELOP A LET'S GO FISHING CHAPTER

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
LYON-LINCOLN ELECTRIC TRUSTW HWY 14 TYLER,MN 561780639	41-1930173	501(C)(3)	33,763		N/A	N/A	REMODEL GOLF CLUBHOUSE
MARSHALL LYON COUNTY LIBRARY FOUNDATION201 C ST MARSHALL,MN 562581391	41-6005352	501(C)(3)	56,000		N/A	N/A	PHASE 1 OF COUNTY LIBRARY

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
MINNWEST TECHNOLOGY FOUNDATION1700 TECHNOLOGY DR NE STE 101 WILLMAR,MN 56201	77-0704901	501(C)(3)	10,000		N/A	N/A	2011 ANIMAL SCIENCE VENTURE FORUM
PIPESTONE AREA COMMUNITY FOUNDATIONPO BOX 332 PIPESTONE,MN 56164	41-1555592	501(C)(3)	5,000		N/A	N/A	SCHOLARSHIPS TO GRADUATING SENIORS

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
REGENTS OF THE UNIVERSITY OF MINNESOTA450 MCNAMARA CTR MINNEAPOLIS, MN 55455	41-6007513	501(C)(3)	7,385		N/A	N/A	CLEAN ENERGY PROJECT BUILDER WEBSITE
SANFORD CLINIC MOUNTAIN LAKE 308 8TH ST MOUNTAIN LAKE, MN 56159	46-0447693	501(C)(3)	5,000		N/A	N/A	PURCHASE FETAL MONITOR

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
SOUTHWEST INITIATIVE FOUNDATION15 3RD AVE NW HUTCHINSON,MN 55350	41-1555592	501(C)(3)	39,000		N/A	N/A	SUPPORT FISCAL AGENCIES
SOUTHWEST REGIONAL DEVELOPMENT COMMITTEE2401 BROADWAY AVE STE 1 SLAYTON,MN 561721141	41-1235045	501(C)(3)	5,000		N/A	N/A	MURRAY COUNTY ECI PROJECTS

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code 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
WORTHINGTON REGIONAL ECONOMIC DEVEVELOPMENT CORPORATION1121 3RD AVE WORTHINGTON,MN 56187	36-3339749	501(C)(3)	6,000		N/A	N/A	ANNUAL BIOSCIENCE CONFERENCE
YELLOW MEDICINE EAST DOLLARS FOR SCHOLARSISD 2190 - YELLOW MEDICINE EAST GRANITE FALLS,MN 562411399	41-6004911	INDEP SCH DIST #2190	10,000		N/A	N/A	STUDENT SCHOLARSHIPS

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
SOUTHWEST INITIATIVE FOUNDATION

Employer identification number
41-1555592

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all the expenses described above? If "No," complete Part III to explain	**1b**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply ☐ Compensation committee ☐ Written employment contract ☐ Independent compensation consultant ☑ Compensation survey or study ☐ Form 990 of other organizations ☑ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space needed.

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

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, columns (D) and (E) for that individual

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) SHERRY E RISTAU	(i)	127,772	0	3,239	14,324	19,302	164,637	0
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8 Also complete this part for any additional information

Identifier	Return Reference	Explanation

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Schedule O (Form 990).**
▶ **Attach to Form 990.** ▶ **See separate instructions.**

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
SOUTHWEST INITIATIVE FOUNDATION

Employer identification number
41-1555592

Part I Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	MCLEOD COUNTY	41-6005841	582258AG4	12-29-2005	3,500,000	LAND, BUILDING AND EQUIPMENT FOR OFFICE SPACE		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	425,000			
2	Amount of bonds defeased				
3	Total proceeds of issue	3,500,000			
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds	55,108			
6	Proceeds in refunding escrow				
7	Issuance costs from proceeds	70,000			
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	3,500,000			
11	Other spent proceeds				
12	Other unspent proceeds				
13	Year of substantial completion	2006			

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?		X						
15	Were the bonds issued as part of an advance refunding issue?		X						
16	Has the final allocation of proceeds been made?	X							
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

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

Part IV Arbitrage

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

Part V Procedures To Undertake Corrective Action

Check the box if the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations . . . . . ☐ Yes ☑ No

Part VI Supplemental Information

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

Identifier	Return Reference	Explanation

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
SOUTHWEST INITIATIVE FOUNDATION

Employer identification number
41-1555592

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

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

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

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 . . . . . ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ $

Part II Loans to and/or From Interested Persons.

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

(a) Name of interested person and purpose	(b) Loan to or from the organization? To	From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	No	(f) Approved by board or committee? Yes	No	(g) Written agreement? Yes	No
(1) TIM ULRICH BUSINESS LOAN		X	460,000	321,713		No	Yes		Yes	
Total . . . . . ▶ $				321,713						

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV **Business Transactions Involving Interested Persons.**

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No

Part V **Supplemental Information**

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

Identifier	Return Reference	Explanation

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SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

NonCash Contributions

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
SOUTHWEST INITIATIVE FOUNDATION

Employer identification number
41-1555592

Part I Types of Property

		(a) Check if applicable	(b) Number of Contributions or items contributed	(c) Contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining contribution amounts
1	Art—Works of art				
2	Art—Historical treasures				
3	Art—Fractional interests				
4	Books and publications				
5	Clothing and household goods				
6	Cars and other vehicles				
7	Boats and planes				
8	Intellectual property				
9	Securities—Publicly traded	X	5	41,002	STOCK MARKET QUOTES
10	Securities—Closely held stock				
11	Securities—Partnership, LLC, or trust interests				
12	Securities—Miscellaneous				
13	Qualified conservation contribution—Historic structures				
14	Qualified conservation contribution—Other				
15	Real estate—Residential				
16	Real estate—Commercial				
17	Real estate—Other	X	3	627,549	APPRAISED VALUE
18	Collectibles				
19	Food inventory				
20	Drugs and medical supplies				
21	Taxidermy				
22	Historical artifacts				
23	Scientific specimens				
24	Archeological artifacts				
25	Other ▶ (GRAIN)	X	5	7,583	PER BUSHEL
26	Other ▶( )				
27	Other ▶( )				
28	Other ▶ ( )				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . **29** 0

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

Part II

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

Identifier	Return Reference	Explanation

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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 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
SOUTHWEST INITIATIVE FOUNDATION

Employer identification number
41-1555592

Identifier	Return Reference	Explanation
NEW PROGRAM SERVICES	FORM 990, PART III, LINE 2	SWIF CONTINUED EFFORTS IN ITS KEY FOCUS AREAS OF ECONOMIC DEVELOPMENT, COMMUNITY AND LEADERSHIP DEVELOPMENT, AND PHILANTHROPY GIVEN SOUTHWEST MINNESOTA'S DEEP AGRICULTURAL ROOTS, PROGRAMS CONNECTED TO THIS REGIONAL ASSET WERE PRIORITIES IN THE PAST YEAR SWIF EXPANDED ITS KEEP IT GROWING(SM) FARMLAND RETENTION PROGRAM, WHICH PROVIDES A VEHICLE TO KEEP LAND LOCALLY OWNED, KEEP LAND FUNCTIONAL AS FARMLAND AND PROVIDE A LASTING LEGACY TO THE COMMUNITY AND REGION SWIF'S BUSINESS FINANCE PROGRAM HAS AN INCREASED LOAN LIMIT FOR ELIGIBLE PROJECTS WITHIN THE SECTORS OF RENEWABLE ENERGY, FOOD AND AGRICULTURE, BIOSCIENCE, AND MANUFACTURING, HELPING BUSINESSES CAPITALIZE ON OUR REGION'S ASSETS SWIF ALSO EXPANDED ITS SUPPORT TO ENTREPRENEURS THROUGH A NEW AND IMPROVED CENTER OF RURAL ENTREPRENEURSHIP (CORE) WEBSITE THE CORE WEBSITE WWW MNCORE COM SERVES AS A ONE-STOP SHOP FOR ENTREPRENEURS TO FIND THE RESOURCES AND TOOLS THEY NEED TO HELP THEIR BUSINESSES SUCCEED A KEY FEATURE OF THE WEBSITE ARE NEW SWIF-PRODUCED STARTING A BUSINESS CLASS WEBCASTS DESIGNED TO PROVIDE ENTREPRENEURS WITH INFORMATION AVAILABLE TO FIT THEIR SCHEDULE IN OTHER PROGRAM AREAS, SWIF ADDED THREE NEW COMMUNITY FOUNDATION PARTNERS, TWO NEW EARLY CHILDHOOD INITIATIVE COALITIONS AND GREW FROM 17 TO 27 YOUTH ENERGY SUMMIT (YES!) TEAMS SWIF PARTNERED WITH INITIATIVE FOUNDATION TO PILOT THE HEALTHY LAKES AND RIVERS PROGRAM IN SOUTHWEST MINNESOTA, EQUIPPING LAKE ASSOCIATIONS IN MEEKER COUNTY WITH THE NECESSARY RESOURCES TO EVALUATE THEIR WATER CONDITIONS AND ENHANCE WATER QUALITY BY BUILDING BRIDGES BETWEEN NONPROFITS, AGENCIES, AND LOCAL CITIZENS FOR THE FISCAL YEAR, SWIF MADE 100 TARGETED GRANTS TOTALING $284,260, 19 GRANTS TO THE YES! TEAMS TOTALING $22,513, AND 24 GRANTS TO EARLY CHILDHOOD COALITIONS TOTALING $88,420

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 1	THE EXECUTIVE COMMITTEE IS COMPRISED OF THE OFFICERS OF THE CORPORATION, CHAIRPERSON, VICE-CHAIRPERSON, SECRETARY AND TREASURER AS WELL AS THE IMMEDIATE PAST CHAIRPERSON THE EXECUTIVE COMMITTEE MAY ACT ON BEHALF OF THE BOARD TO REVIEW AND ACT UPON GRANTS AND LOANS, REVIEW AND ACT UPON POLICIES, REVIEW AND ACT UPON BUDGETARY VARIANCES, AND CONDUCT OTHER BUSINESS OF THE CORPORATION BETWEEN REGULARLY SCHEDULED BOARD MEETINGS ALL ACTIONS OF THE EXECUTIVE COMMITTEE ARE REVIEWED BY THE FULL BOARD THROUGH THE APPROVAL OF EXECUTIVE COMMITTEE MEETING MINUTES AT THE NEXT SCHEDULED FULL BOARD MEETING

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 11	THE IRS FORM 990 IS REVIEWED BY APPROPRIATE STAFF IN THE FOUNDATION AND THEN PRESENTED TO THE AUDIT/FINANCE COMMITTEE FOR REVIEW AND RECOMMENDATION TO THE BOARD THE FULL BOARD OF DIRECTORS ALSO RECEIVES A COPY THROUGH THE SECURE BOARD PORTAL OF THE WEBSITE ONE WEEK PRIOR TO FILING THE AUDIT/FINANCE COMMITTEE AND THE BOARD ARE GIVEN PUBLIC INSPECTION COPIES OF THE FORM 990 THAT DO NOT INCLUDE THE CONFIDENTIAL LIST OF MAJOR DONORS OTHER THAN THIS LIST, THE FORM IS GIVEN IN ITS ENTIRETY TO THE COMMITTEE AND BOARD FOR REVIEW

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	ALL CIRCUMSTANCES THAT MAY INVOLVE A POTENTIAL CONFLICT OF INTEREST FOR AN EMPLOYEE SHOULD BE DISCLOSED TO THE PRESIDENT/CEO OR THE VICE PRESIDENT/COO, AS APPROPRIATE. AN EMPLOYEE MAY NOT ACCEPT GIFTS, GRATUITIES AND ENTERTAINMENT UNLESS THEY ARE OF NOMINAL OR INSIGNIFICANT VALUE, NOT TO EXCEED $50, AND WHICH ARE NOT RELATED TO ANY PARTICULAR TRANSACTION OR ACTIVITY OF THE FOUNDATION. THEY MUST CONDUCT TRANSACTIONS WITH OUTSIDE FIRMS WITHIN A FRAMEWORK ESTABLISHED AND CONTROLLED BY THE EXECUTIVE LEVEL OF THE FOUNDATION. PROMOTIONAL PLANS THAT COULD BE INTERPRETED TO INVOLVE UNUSUAL GAIN FOR EMPLOYEES REQUIRE SPECIFIC EXECUTIVE-LEVEL APPROVAL. THEY WILL NOT ENGAGE IN OUTSIDE EMPLOYMENT OR SELF-EMPLOYMENT WHERE SUCH EMPLOYMENT WOULD CONSTITUTE A CONFLICT OF INTEREST OR WOULD AFFECT ADVERSELY THE EMPLOYEE'S PERFORMANCE IN THE FOUNDATION. BOARD MEMBERS WHO KNOW OF A POTENTIAL CONFLICT OF INTEREST, INVOLVING THEMSELVES OR AN UNDISCLOSED CONFLICT INVOLVING A MEMBER SHALL INFORM THE BOARD OF DIRECTORS IN ADVANCE OF THE DISCUSSION OF THE ISSUE INVOLVED. IF THEY HAVE A CONFLICT OF INTEREST WITH A PROPOSED PROJECT, THEY WILL NOT BE INVOLVED IN THE DECISION MAKING PROCESS NOR WILL THEY VOTE ON THE PROPOSAL WHEN IT COMES BEFORE THE BOARD OR COMMITTEE. IF THEIR COMPANY IS APPLYING FOR A LOAN FROM THE FOUNDATION, THEY WILL BE REQUIRED TO RESIGN THEIR POSITION PRIOR TO THE BOARD TAKING ACTION ON THE PROPOSAL. THEY WILL NOT BE INVOLVED IN ANY OF THE DISCUSSIONS OR REVIEW OF THE PROPOSAL. IF THE ORGANIZATION THEY WORK FOR IS APPLYING FOR A GRANT FROM THE FOUNDATION, THEY MAY NOT TAKE PART IN THE REVIEW PROCESS AND THEY WILL NOT VOTE ON THE PROPOSAL. IF THE PROPOSAL DIRECTLY FUNDS THEIR POSITION WITHIN THE ORGANIZATION APPLYING FOR THE GRANT, THEY WILL BE REQUIRED TO RESIGN FROM THE BOARD PRIOR TO THE BOARD TAKING ACTION ON THE PROPOSAL. THEY WILL NOT BE INVOLVED IN ANY OF THE DISCUSSIONS OR REVIEW OF THE PROPOSAL. MEMBERS WHO HAVE BEEN DETERMINED TO HAVE A CONFLICT OF INTEREST MAY REMAIN IN THE ROOM DURING DISCUSSION OF A PROPOSAL FOR FUNDING UNLESS REQUESTED TO LEAVE, SHALL REFRAIN FROM PARTICIPATING IN DISCUSSION OF THE ISSUE BUT MAY ANSWER QUESTIONS DIRECTED TO THEM AND MUST LEAVE THE ROOM PRIOR TO VOTING ON THE ISSUE, AND MAY RETURN ONCE THE VOTE HAS BEEN COMPLETED. BOARD AND COMMITTEE MINUTES SHALL REFLECT THE CONSIDERATION AND DISPOSITION OF ANY CONFLICT OF INTEREST

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	SOUTHWEST INITIATIVE FOUNDATION'S EXECUTIVE COMPENSATION PROGRAM IS ADMINISTERED BY THE EXECUTIVE COMMITTEE OF THE BOARD THE EXECUTIVE COMMITTEE IS RESPONSIBLE FOR ESTABLISHING AND MAINTAINING A COMPETITIVE COMPENSATION PROGRAM FOR THE KEY EXECUTIVES OF THE FOUNDATION THE EXECUTIVE COMMITTEE UNDERTAKES AN ANNUAL REVIEW TO EVALUATE THE FOUNDATION'S EXECUTIVE COMPENSATION PROGRAM AGAINST THE COMPETITIVE MARKET USING INFORMATION GATHERED ON COMPARABLE POSITIONS WITHIN THE SPECIFIC INDUSTRY SECTOR AND FROM INDEPENDENTLY PUBLISHED SURVEYS THE EXECUTIVE COMMITTEE MEETS INDEPENDENT OF THE PRESIDENT/CEO TO DISCUSS PERFORMANCE RELATIVE TO THE POSITION DESCRIPTION DURING THESE DELIBERATIONS, THE COMMITTEE ALSO CONSIDERS INPUT OBTAINED FROM OTHER BOARD MEMBERS, STAFF, PROFESSIONAL ADVISORS, GRANT RECIPIENTS, AND OTHER INFORMED COMMUNITY LEADERS THE DATE OF DELIBERATIONS AND SUBSEQUENT MEETING WITH PRESIDENT/CEO ARE DOCUMENTED IN THE MINUTES OF THE BOARD MEETING AND THE OUTCOME MAINTAINED IN THE CONFIDENTIAL PERSONNEL FILES OF THE FOUNDATION THE EXECUTIVE COMMITTEE IS RESPONSIBLE FOR ESTABLISHING AND MAINTAINING A COMPETITIVE COMPENSATION PROGRAM FOR OTHER OFFICERS AND KEY EMPLOYEES OF THE FOUNDATION THE EXECUTIVE COMMITTEE UNDERTAKES AN ANNUAL REVIEW TO EVALUATE THE FOUNDATION'S EXECUTIVE COMPENSATION PROGRAM AGAINST THE COMPETITIVE MARKET USING INFORMATION GATHERED ON COMPARABLE POSITIONS WITHIN THE SPECIFIC INDUSTRY SECTOR AND FROM INDEPENDENTLY PUBLISHED SURVEYS THE FULL BOARD REVIEWS THE WAGE AND SALARY PROGRAM ANNUALLY AND SETS A GUIDE TO BE USED FOR INCREASES BASED ON EACH INDIVIDUAL'S OVERALL PERFORMANCE AND PLACEMENT ON THE WAGE/SALARY RANGE FOR THEIR SPECIFIC POSITION THE PRESIDENT/CEO REVIEWS ALL SALARY ADJUSTMENTS FOR KEY EMPLOYEES THE LAST REVIEW WAS COMPLETED IN 2012 FOR THE PRESIDENT/CEO, S RISTAU AND VICE PRESIDENT/COO, D ANDERSON

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION'S 990 AND ANNUAL REPORT (INCLUDING FINANCIAL STATEMENTS) ARE AVAILABLE UPON REQUEST THE 990 IS ALSO AVAILABLE ON THE GUIDESTAR WEBSITE THE ORGANIZATION'S GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY ARE NOT MADE PUBLIC

Identifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET UNREALIZED LOSSES ON INVESTMENTS -665,934 CHANGE IN AGENCY FUNDS - 39,920 CHANGE IN VALUE OF SPLIT INTEREST AGREEMENTS 53,737 TOTAL TO FORM 990, PART XI, LINE 5 -652,117

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
SOUTHWEST INITIATIVE FOUNDATION

Employer identification number
41-1555592

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

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) AWSM LLC 413 1ST ST JACKSON, MN 56159 41-1555592	APARTMENT BLDG	MN	216,781	1,624,312	SOUTHWEST INITIATIVE FOUNDATION

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership

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

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

		Yes	No
1	During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a	Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity	1a	
b	Gift, grant, or capital contribution to related organization(s)	1b	
c	Gift, grant, or capital contribution from related organization(s)	1c	
d	Loans or loan guarantees to or for related organization(s)	1d	
e	Loans or loan guarantees by related organization(s)	1e	
f	Sale of assets to related organization(s)	1f	
g	Purchase of assets from related organization(s)	1g	
h	Exchange of assets with related organization(s)	1h	
i	Lease of facilities, equipment, or other assets to related organization(s)	1i	
j	Lease of facilities, equipment, or other assets from related organization(s)	1j	
k	Performance of services or membership or fundraising solicitations for related organization(s)	1k	
l	Performance of services or membership or fundraising solicitations by related organization(s)	1l	
m	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1m	
n	Sharing of paid employees with related organization(s)	1n	
o	Reimbursement paid to related organization(s) for expenses	1o	
p	Reimbursement paid by related organization(s) for expenses	1p	
q	Other transfer of cash or property to related organization(s)	1q	
r	Other transfer of cash or property from related organization(s)	1r	

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Schedule R (Form 990) 2011

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation	