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Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2011**Open to Public Inspection**Department of the Treasury
Internal Revenue Service

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

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

A For the 2011 calendar year, or tax year beginning October 1, 2011 , 2011, and ending September 30 , 20 12	
B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization Illinois Manufacturing Extension Center
	Doing Business As
	Number and street (or P.O. box if mail is not delivered to street address) Room/suite 1501 West Bradley Avenue
	City or town, state or country, and ZIP + 4 Peoria, IL 61625-0001
	F Name and address of principal officer David Boulay, same as C above
D Employer identification number 37-1368934	
E Telephone number 309-677-3765	
G Gross receipts \$ 6,646,040	
H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)	
H(c) Group exemption number ▶	
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (Insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	
J Website: ▶ www.imec.org	
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶	
L Year of formation: 1996 M State of legal domicile: IL	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: To operate for educational and charitable purposes to increase the productivity and global competitiveness of manufacturing and technology-related firms and related industries that impact such enterprises.
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.
	3 Number of voting members of the governing body (Part VI, line 1a) 3 17
	4 Number of independent voting members of the governing body (Part VI, line 1b) 4 17
	5 Total number of individuals employed in calendar year 2011 (Part V, line 2a) 5 37
	6 Total number of volunteers (estimate if necessary) 6 0
	7a Total unrelated business revenue from Part VIII, column (C), line 12 7a 0
b Net unrelated business taxable income from Form 990-T, line 34 7b 0	
Revenue	8 Contributions and grants (Part VIII, line 1h) 3,525,205 4,326,484
	9 Program service revenue (Part VIII, line 2g) 2,277,385 2,313,243
	10 Investment income (Part VIII, column (A), lines 3-4, and 2d) 15,724 6,313
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 0 0
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) 5,818,314 6,646,040
	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) 3,875,234 4,346,986
	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) 56,403 55,927
	16a Professional fundraising fees (Part IX, column (A), line 11e) 0 0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 0
Expenses	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) 2,623,339 2,567,209
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) 6,554,976 6,970,122
	19 Revenue less expenses. Subtract line 18 from line 12 (736,662) (324,082)
	20 Total assets (Part X, line 16) 3,380,804 3,078,875
Net Assets or Fund Balances	21 Total liabilities (Part X, line 26) 487,797 509,950
	22 Net assets or fund balances. Subtract line 21 from line 20 2,893,007 2,568,925

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer <i>David Boulay</i>	Date 5/10/13
	Type or print name and title David Boulay President	

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no.			

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

For Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 11282Y

Form **990** (2011)

9-17

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Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III ☒

- 1** Briefly describe the organization's mission:
 To operate for educational and charitable purposes to increase the productivity and global competitiveness of manufacturing and technology-related firms and related industries that impact such enterprises.
- 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 \$ 6,242,358 including grants of \$ 4,274,520) (Revenue \$ 2,313,243)
 The Illinois Manufacturing Extension Center is a not-for-profit organization dedicated to providing technical, management and financial assistance as well as consulting and training services to manufacturing and technology-related firms, and to related industries that impact such enterprises. Activities during the period include service to 553 smaller manufacturers involving 392 technical assistance projects, 518 other completed informal assistance engagements, and dissemination of information to over 6,000 smaller manufacturers and manufacturing-related enterprises.

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

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

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

4e Total program service expenses **6,242,358**

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 ✓	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2 ✓	
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	✓
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 ✓	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	✓
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	✓
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	✓
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	✓
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	✓
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	✓
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	11a	✓
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	✓
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	✓
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	✓
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	✓
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	✓
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 ✓	
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	✓
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	✓
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	✓
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV.	14b	✓
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV	15	✓
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV	16	✓
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	✓
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	✓
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	✓
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	✓
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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? <i>If "Yes," complete Schedule I, Parts I and III</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	<input type="checkbox"/>	<input type="checkbox"/>
24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	<input type="checkbox"/>	<input type="checkbox"/>
24d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	<input type="checkbox"/>	<input type="checkbox"/>
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? <i>If "Yes," complete Schedule L, Part I</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
25b 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? <i>If "Yes," complete Schedule L, Part I</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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? <i>If "Yes," complete Schedule L, Part II</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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):	<input type="checkbox"/>	<input type="checkbox"/>
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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? <i>If "Yes," complete Schedule R, Part I</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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? <i>If "Yes," complete Schedule R, Part VI</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck 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 21	
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 37	
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b	✓
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	✓
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	✓
b	If "Yes," enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	✓
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	✓
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a	✓
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	✓
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	✓
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	✓
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	✓
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?	9a	
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	✓
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

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

Section A. Governing Body and Management

		Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	1a 17		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.			
b Enter the number of voting members included in line 1a, above, who are independent	1b 17		
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		✓
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		✓
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	✓	
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5		✓
6 Did the organization have members or stockholders?	6		✓
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		✓
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		✓
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a The governing body?	8a	✓	
b Each committee with authority to act on behalf of the governing body?	8b	✓	
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	✓	

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	✓
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	✓
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.	12a	✓
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	✓
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	✓
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	✓
13 Did the organization have a written whistleblower policy?	13	✓
14 Did the organization have a written document retention and destruction policy?	14	✓
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	✓
b Other officers or key employees of the organization	15b	✓
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	✓
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 ► Illinois
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
- ☐ Own website ☐ Another's website ☒ 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 during the tax year.
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► Bradley University Controller's Office, 1501 W. Bradley Avenue, Peoria, IL 61625 309-677-3490

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response to any question in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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) Brad Albrecht Secretary/Treasurer	.8			✓				0	0	0
(2) Jim Haley Director	.6	✓						0	0	0
(3) Scott Kelley Director	6	✓						0	0	0
(4) Daryl Lindemann Director	6	✓						0	0	0
(5) Richard Louis 1st Vice Chair	8			✓				0	0	0
(6) Larry Meeske Director	6	✓						0	0	0
(7) Lach Perks Director	.6	✓						0	0	0
(8) Fred Pipin Director	.6	✓						0	0	0
(9) Andy Rector Director	6	✓						0	0	0
(10) Dan Schueller Chairman	.8			✓				0	0	0
(11) Joe Shiver Director	.6	✓						0	0	0
(12) Vince Tappel Director	6	✓						0	0	0
(13) Debra Voges-Schneider Director	.6	✓						0	0	0
(14) Gerry Wappelhorst Director	6	✓						0	0	0

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			
(15) Ed Wolbert Director	.6	✓						0	0	0
(16) Reginald Smidt Director	.6	✓						0	0	0
(17) James Tarabori Director	.6	✓						0	0	0
(18) Patrick Murzyn Director	.6	✓						0	0	0
(19) David Boulay President	40			✓				1066	0	0
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
1b Sub-total								1066	0	0
c Total from continuation sheets to Part VII, Section A								0	0	0
d Total (add lines 1b and 1c)								1066	0	0

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **0**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		✓
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? <i>If "Yes," complete Schedule J for such individual</i>		✓
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		✓

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
Bradley University, 1501 W. Bradley Avenue, Peoria, IL 61625	Employment/Accounting	1,132,744
South Carolina MEP, 817 Calhoun Street, Columbia, SC 29201	Consulting	106,704
Versatech, LLC, 1408 E. Fayette Avenue, Teutopolis, IL 62467	Consulting/Training	105,416
Synchronous Management, 51 Seaside Avenue, Milford, CT 06460	Consulting/Training	101,925

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 **4**

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a 0				
	b	Membership dues	1b 0				
	c	Fundraising events	1c 0				
	d	Related organizations	1d 0				
	e	Government grants (contributions)	1e 4,326,484				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f 0				
	g	Noncash contributions included in lines 1a-1f: \$	0				
	h	Total. Add lines 1a-1f ▶		4,326,484			
Program Service Revenue			Business Code				
	2a	Client Projects	541900	2,313,243	2,313,243	0	0
	b						
	c						
	d						
	e						
	f	All other program service revenue .	0	0	0	0	0
g	Total. Add lines 2a-2f ▶		2,313,243				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ▶		6,313	0	0	0
	4	Income from investment of tax-exempt bond proceeds ▶		0	0	0	0
	5	Royalties ▶		0	0	0	0
			(i) Real (ii) Personal				
	6a	Gross rents					
	b	Less: rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss) ▶		0	0	0	0
	7a	Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
	b	Less: cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss) ▶		0	0	0	0
	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 . . ▶		0	0	0	0
	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 . . ▶		0	0	0	0
	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 . . ▶		0	0	0	0	
Miscellaneous Revenue			Business Code				
11a							
b							
c							
d	All other revenue		0	0	0	0	
e	Total. Add lines 11a-11d ▶		0				
12	Total revenue. See instructions. ▶		6,646,040	2,313,243	0	0	

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	4,346,986	4,346,986		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	0	0		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16	0	0		
4 Benefits paid to or for members	0	0		
5 Compensation of current officers, directors, trustees, and key employees	0	0	0	0
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0	0	0	0
7 Other salaries and wages	51,953	50,516	1,437	0
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	0	0	0	0
9 Other employee benefits	0	0	0	0
10 Payroll taxes	3,974	3,865	110	0
11 Fees for services (non-employees):				
a Management	0	0	0	0
b Legal	0	0	0	0
c Accounting	15,800	0	15,800	0
d Lobbying	46,527	46,527	0	0
e Professional fundraising services. See Part IV, line 17	0			0
f Investment management fees	0	0	0	0
g Other	0	0	0	0
12 Advertising and promotion	7,269	7,269	0	0
13 Office expenses	81,545	52,508	29,036	0
14 Information technology	0	0	0	0
15 Royalties	0	0	0	0
16 Occupancy	35,222	10,398	24,824	0
17 Travel	258,371	245,056	13,315	0
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0	0	0	0
19 Conferences, conventions, and meetings	18,442	18,144	298	0
20 Interest	0	0	0	0
21 Payments to affiliates	0	0	0	0
22 Depreciation, depletion, and amortization	0	0	0	0
23 Insurance	25,441	0	25,441	0
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Contractual Services	2,038,752	1,496,013	542,739	0
b Allocation of Line 1 Mgmt & Gen Expenses	0	(72,466)	72,466	0
c				
d				
e All other expenses Misc.	39,840	37,542	2,298	0
25 Total functional expenses. Add lines 1 through 24e	6,970,122	6,242,358	727,764	0
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	2,373,750	1	1,760,664
	2 Savings and temporary cash investments	0	2	0
	3 Pledges and grants receivable, net	765,535	3	1,165,229
	4 Accounts receivable, net	239,413	4	150,740
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0	5	0
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)	0	6	0
	7 Notes and loans receivable, net	0	7	0
	8 Inventories for sale or use	0	8	0
	9 Prepaid expenses and deferred charges	2,106	9	2,242
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D			
	b Less: accumulated depreciation	0	10c	0
	11 Investments—publicly traded securities	0	11	0
	12 Investments—other securities. See Part IV, line 11	0	12	0
	13 Investments—program-related. See Part IV, line 11	0	13	0
	14 Intangible assets	0	14	0
	15 Other assets. See Part IV, line 11	0	15	0
16 Total assets. Add lines 1 through 15 (must equal line 34)	3,380,804	16	3,078,875	
Liabilities	17 Accounts payable and accrued expenses	146,700	17	170,378
	18 Grants payable	341,097	18	339,572
	19 Deferred revenue	0	19	0
	20 Tax-exempt bond liabilities	0	20	0
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	0	21	0
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0	22	0
	23 Secured mortgages and notes payable to unrelated third parties	0	23	0
	24 Unsecured notes and loans payable to unrelated third parties	0	24	0
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	0	25	0
26 Total liabilities. Add lines 17 through 25	487,797	26	509,950	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	2,893,007	27	2,568,925
	28 Temporarily restricted net assets	0	28	0
	29 Permanently restricted net assets	0	29	0
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	2,893,007	33	2,568,925
34 Total liabilities and net assets/fund balances	3,380,804	34	3,078,875	

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	6,646,040
2	Total expenses (must equal Part IX, column (A), line 25)	2	6,970,122
3	Revenue less expenses. Subtract line 2 from line 1	3	(324,082)
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	2,893,007
5	Other changes in net assets or fund balances (explain in Schedule O)	5	0
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	2,568,925

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

- 1** Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other _____
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.

- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant?

- b** Were the organization's financial statements audited by an independent accountant?

- c** If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?

If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.

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

☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis

- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?

- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a	✓	
2b	✓	
2c	✓	
3a	✓	
3b	✓	

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

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

OMB No 1545-0047

2011

**Open to Public
Inspection**

Name of the organization

Illinois Manufacturing Extension Center

Employer identification number

37-1368934

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 ☐ A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
- a ☐ Type I b ☐ Type II c ☐ Type III—Functionally integrated d ☐ Type III—Other
- e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**.
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
- (ii) A family member of a person described in (i) above?
- (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

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

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

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Cat No 11285F

Schedule A (Form 990 or 990-EZ) 2011

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	3,420,255	2,176,041	2,295,396	3,525,205	4,326,484	15,743,381
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf	0	0	0	0	0	0
3 The value of services or facilities furnished by a governmental unit to the organization without charge	0	0	0	0	0	0
4 Total. Add lines 1 through 3	3,420,255	2,176,041	2,295,396	3,525,205	4,326,484	15,743,381
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)						0
6 Public support. Subtract line 5 from line 4.						15,743,381

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	3,420,255	2,176,041	2,295,396	3,525,205	4,326,484	15,743,381
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	113,058	(1,461)	37,617	15,724	6,313	171,251
9 Net income from unrelated business activities, whether or not the business is regularly carried on	0	0	0	0	0	0
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	0	0	0	0	0	0
11 Total support. Add lines 7 through 10						15,914,632
12 Gross receipts from related activities, etc. (see instructions)					12	10,706,015
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f))	14	98.92 %
15 Public support percentage from 2010 Schedule A, Part II, line 14	15	97.28 %
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	<input checked="" type="checkbox"/>	
b 33 1/3% support test—2010. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
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	<input type="checkbox"/>	
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	<input type="checkbox"/>	
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	<input type="checkbox"/>	

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II.
If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
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 section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

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 <input type="checkbox"/>		
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 <input type="checkbox"/>		
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions <input type="checkbox"/>		

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

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No 1545-0047

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.**

Department of the Treasury
Internal Revenue Service

2011

**Open to Public
Inspection**

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, Part V, line 35c (Proxy Tax), then

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

Name of organization	Employer identification number
Illinois Manufacturing Extension Center	37-1368934

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

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
- 2 Political expenditures ▶ \$
- 3 Volunteer hours

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

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

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

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ \$
- 4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which 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-
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

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)														
b	Total lobbying expenditures to influence a legislative body (direct lobbying)														
c	Total lobbying expenditures (add lines 1a and 1b)														
d	Other exempt purpose expenditures														
e	Total exempt purpose expenditures (add lines 1c and 1d)														
f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.														
<table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		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.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000.														
g	Grassroots nontaxable amount (enter 25% of line 1f)														
h	Subtract line 1g from line 1a. If zero or less, enter -0-														
i	Subtract line 1f from line 1c. If zero or less, enter -0-														
j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> 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 nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column (e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.

	(a)		(b)
	Yes	No	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?	✓		20,160
g Direct contact with legislators, their staffs, government officials, or a legislative body?	✓		58,880
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		✓	
i Other activities?		✓	
j Total. Add lines 1c through 1i			79,040
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 carry over 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) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."

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

Part IV Supplemental Information

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

Lobbying activities include:

--Membership dues/lobbying service to the American Small Manufacturers Coalition. The Coalition has a lobbying effort

which benefits its members.

--Used an independent consultant for legislative consulting services, including lobbying activities. The independent consultant

takes direction from and reports to the president of IMEC.

Part IV **Supplemental Information** *(continued)*

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

Illinois Manufacturing Extension Center

Supplemental Financial Statements

► Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2011

**Open to Public
Inspection**

Employer identification number

37-1368934

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

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

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

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

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ►

4 Number of states where property subject to conservation easement is located ►

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ►

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ► \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

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

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

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ► \$

(ii) Assets included in Form 990, Part X ► \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ► \$

b Assets included in Form 990, Part X ► \$

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

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a** ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other _____

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

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

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

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

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

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

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

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

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

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

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

	Yes	No
(i) unrelated organizations	3a(i)	
(ii) related organizations	3a(ii)	

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

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

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				

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) _____		
(B) _____		
(C) _____		
(D) _____		
(E) _____		
(F) _____		
(G) _____		
(H) _____		
(I) _____		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ►		

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

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) _____		
(2) _____		
(3) _____		
(4) _____		
(5) _____		
(6) _____		
(7) _____		
(8) _____		
(9) _____		
(10) _____		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ►		

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

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

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

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

2. FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	6,646,040
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	6,970,122
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	(324,082)
4	Net unrealized gains (losses) on investments	4	0
5	Donated services and use of facilities	5	0
6	Investment expenses	6	0
7	Prior period adjustments	7	0
8	Other (Describe in Part XIV.)	8	0
9	Total adjustments (net). Add lines 4 through 8	9	0
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	(324,082)

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	6,646,040
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	0
b	Donated services and use of facilities	2b	0
c	Recoveries of prior year grants	2c	0
d	Other (Describe in Part XIV.)	2d	0
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	6,646,040
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	0
b	Other (Describe in Part XIV.)	4b	0
c	Add lines 4a and 4b	4c	0
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	6,646,040

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

1	Total expenses and losses per audited financial statements	1	6,970,122
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	0
b	Prior year adjustments	2b	0
c	Other losses	2c	0
d	Other (Describe in Part XIV.)	2d	0
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	6,970,122
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	0
b	Other (Describe in Part XIV.)	4b	0
c	Add lines 4a and 4b	4c	0
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	6,970,122

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Part XIV **Supplemental Information** *(continued)*

Area for supplemental information with horizontal dashed lines.

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service
Name of the organization

**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

Illinois Manufacturing Extension Center

Employer identification number

37-1368934

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.

Part II can be duplicated if additional space is needed ☐

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) Northern Illinois University DeKalb, IL 60115	36-6008480	State of IL	1,467,474				client services
(2) Southern Illinois University Carbondale, IL 62901	37-6005961	State of IL	1,124,061				client services
(3) Illinois State University Normal, IL 61790	37-6014070	State of IL	666,177				client services
(4) University of Illinois Grant/Contract Springfield, IL 62708	37-6000511	State of IL	653,516				client services
(5) Bradley University Peoria, IL 61625	37-0661494	501(c)3	253,758				client services
(6) Tooling & Manuf. Assoc. (TMA) Park Ridge, IL 60068	36-1804560	501(c)6	182,000				client services
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table **5**

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

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat. No. 50055P

Schedule I (Form 990) (2011)

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

	(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1						
2						
3						
4						
5						
6						
7						
Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.						

Part 1, Line 2: The organization has subrecipients that assist in providing technical, management and financial assistance as well as consulting and training services to manufacturing

and technology-related firms, and to related industries that impact such enterprises in the State of Illinois. The subrecipients submit a monthly expenditure report that identifies their

expenditures of Illinois Manufacturing Extension Center (IMEC) funds for a particular month. The subrecipients also sign a certification statement that is part of the monthly expenditure

report that states all outlays and unliquidated obligations are for the purpose set forth in the award document and all costs are allowable.

Additionally, the IMEC president and/or other leadership staff meet with designated subrecipient staff on a periodic basis and all subrecipients are required to provide IMEC independent

audits of federal funding.

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, line 25a, 25b, 26, 27, 28a, 28b, or 28c,
or Form 990-EZ, Part V, line 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

Illinois Manufacturing Extension Center

Employer identification number

37-1368934

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
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

- 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?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
(1)										
(2)										
(3)										
(4)										
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										
Total				► \$						

Part III

Grants or Assistance Benefiting 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 and type of assistance
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

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
(1) David Boulay	Leased Employee	160,000	Compensation		✓
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Part V Supplemental Information

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

David Boulay is employed by Bradley University (IMEC's fiscal agent) and is leased to IMEC. Bradley University compensates Mr. Boulay and IMEC is invoiced for his compensation through a contractual arrangement between the two entities. Other personnel leased to IMEC do not meet the threshold noted in the instructions.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

► Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2011

**Open to Public
Inspection**

Name of the organization

Illinois Manufacturing Extension Center

Employer identification number

37-1368934

Form 990, Part III, 4a

A significant portion of the Illinois Manufacturing Extension Center's (IMEC) costs are incurred by IMEC's subrecipients that assist IMEC in transferring manufacturing technology to Illinois manufacturers. Of the \$4,346,986 in subrecipient expenditures, \$4,274,520 is classified as program service and \$72,466 is classified as general and administrative

Form 990, Part IV, 28c

IMEC provides services under contract to board member companies on a fee for service basis on the same terms as are generally offered to the public. There were not any fee for service transactions that exceeded the reporting threshold for Schedule L, Part IV during the tax year.

Form 990, Part V, 1a

Bradley University serves as the fiscal agent for IMEC. Per the instructions relating to reporting agents of the filing organization, the number reported on line 1a is the number of forms filed by the University for providers of services to IMEC for calendar year 2011.

Form 990, Part V, 2a

Bradley University has been granted authority to perform the acts required under Section 3505, Chapters 21, 22, 24 and/or 25 of Subtitle C of the Internal Revenue Code on behalf of IMEC. Bradley University has also been granted authority to perform the acts required under Revenue Procedure 84-33 with regard to backup withholding on behalf of IMEC. Since December 2005, IMEC has utilized ADP payroll services only for supplemental compensation for staff contracted to IMEC. IMEC staff's primary compensation is received as employees of host organizations that are IMEC subrecipients/contractors.

Form 990, Part VI, 4

At its December 2011 board of directors meeting, IMEC approved a revision to Section 2.2 of its bylaws with regard to the length of the term of the organization's board members. Previously board members were appointed to two year terms. The approved revision implements a three year term of appointment.

Name of the organization

Illinois Manufacturing Extension Center

Employer identification number

37-1368934

Form 990, Part VI, 9

Names and addresses of board members that cannot be reached at IMEC's mailing address:

Brad Albrecht, Budnick Converting, Inc., P.O. Box 197, Columbia, IL 62236

Jim Haley, Illini Wire Works, Inc., 4705 E. Radio Tower Lane, Olney, IL 62450

Scott Kelley, Plano Molding Company, 500 DuVick Avenue, Sandwich, IL 60548

Daryl Lindemann, Illinois Valley Plastics, 300 N. Cummings Lane, Washington, IL 61571

Richard Louis, Turner Electric Corporation, 131 Enterprise Drive, Edwardsville, IL 62025

Larry Meeske, Deere & Company, 3400 80th Street, Moline, IL 61265

Lach Perks, Eclipse, Inc., 1665 Elmwood Road, Rockford, IL 61103

Fred Pipin, 2323 W. Pershing Road, Unit 418, Chicago, IL 60609

Andy Rector, ACC Electronix, Inc., 420 Wylie Drive, Normal, IL 61761

Dan Schueller, Brad Foote Gear Works, Inc., 3250 S. Central Avenue, Cicero, IL 60804

Joe Shiver, Hamilton Sundstrand, 4747 Harrison Avenue, Rockford, IL 61108

Vince Tappel, The Boeing Company, P.O. Box 516, MCS106-4400, St. Louis, MO 63166

Debra Voges-Schneider, Roesch, Inc., 100 N. 24th Street, Belleville, IL 62222

Gerry Wappelhorst, Caterpillar Global Purchasing, P.O. Box 610, Mossville, IL 61552

Ed Wolbert, Transco Products, Inc., 55 E. Jackson Boulevard, Suite 2100, Chicago, IL 60604

Reginald Smidt, Iron-A-Way, 220 W. Jackson, Morton, IL 61550

James Tarabori, 5418 W. Fieldstone Drive, Peoria, IL 61615

Patrick Murzyn, Caterpillar Global Purchasing, Route 29 and Rench Road, Building AC, Mossville, IL 61552

Form 990, Part VI, 11b

The form is prepared by IMEC's fiscal agent in collaboration with the IMEC president and vice-president for finance. A draft is reviewed by the fiscal agent's assistant controller and the IMEC president and vice-president for finance. When the final draft is completed, it is distributed to board members for their review prior to submission.

Name of the organization

Illinois Manufacturing Extension Center

Employer identification number

37-1368934

Form 990, Part VI, 12c

IMEC's Conflict of Interest Policy is published in IMEC's Operations Manual. Employees are required to annually acknowledge their receipt of the policy as well as their understanding of and agreement to comply with the policy. When IMEC becomes aware of a potential conflict of interest, IMEC follows the process as described in its policy.

Form 990, Part VI, 15a and 15b

Compensation for IMEC's president is established by IMEC's board of directors' personnel committee and approved by the full board. The board reviews data gathered from comparable organizations in setting salary. IMEC's president establishes the salaries for other employees. In setting salary level, the president utilizes board input as well as independent salary survey data for comparable job responsibilities.

Form 990, Part VI, 19

IMEC's governing documents, conflict of interest policy and financial statements are made available to the public upon request.

Form 990, Part IX, 24b

A significant portion of IMEC's costs are incurred by IMEC's subrecipients that assist in transferring manufacturing technology to Illinois manufacturers. Of the \$4,346,986 in subrecipient expenditures, \$4,274,520 is classified as program service and \$72,466 is classified as general and administrative.

**ILLINOIS MANUFACTURING
EXTENSION CENTER
Peoria, Illinois**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
September 30, 2012 and 2011**



CliftonLarsonAllen

ILLINOIS MANUFACTURING EXTENSION CENTER

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Independent Auditor's Report

Board of Directors
Illinois Manufacturing Extension Center
Peoria, Illinois

We have audited the accompanying statements of financial position of Illinois Manufacturing Extension Center as of September 30, 2012 and 2011, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of Illinois Manufacturing Extension Center's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Illinois Manufacturing Extension Center as of September 30, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2013 on our consideration of Illinois Manufacturing Extension Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The Schedule of Functional Expenses on page 12 and the Schedule of Expenditures of Federal Awards on pages 13 through 15, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Functional Expenses and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

CliftonLarsonAllen LLP

Peoria, Illinois
February 27, 2013

ILLINOIS MANUFACTURING EXTENSION CENTER
STATEMENTS OF FINANCIAL POSITION
September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and cash equivalents	\$ 1,760,664	\$ 2,373,750
Accounts receivable:		
Government	1,165,229	765,535
Program service, net of \$28,123 allowance for 2012 and 2011	150,740	239,413
Prepaid expense	<u>2,242</u>	<u>2,106</u>
TOTAL ASSETS	<u>\$ 3,078,875</u>	<u>\$ 3,380,804</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	\$ 170,378	\$ 146,700
Subrecipient payable	<u>339,572</u>	<u>341,097</u>
Total liabilities	509,950	487,797
NET ASSETS		
Unrestricted	<u>2,568,925</u>	<u>2,893,007</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,078,875</u>	<u>\$ 3,380,804</u>

The accompanying notes are an integral part of the financial statements.

ILLINOIS MANUFACTURING EXTENSION CENTER
STATEMENTS OF ACTIVITIES
Years Ended September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
OPERATING REVENUES AND OTHER		
ADDITIONS		
Program service income	\$ 2,313,243	\$ 2,277,385
Federal government	3,882,215	3,525,205
State government	444,269	-
Investment income	<u>6,313</u>	<u>15,724</u>
Total operating revenues and other additions	<u>6,646,040</u>	<u>5,818,314</u>
 OPERATING EXPENDITURES		
Personnel and fringe benefits	55,927	56,404
Travel	276,812	251,323
Supplies	73,716	103,476
Contractual	2,092,547	2,098,700
Subrecipient payments	4,346,986	3,875,234
Other	<u>124,134</u>	<u>169,839</u>
Total operating expenditures	<u>6,970,122</u>	<u>6,554,976</u>
 CHANGE IN NET ASSETS	 (324,082)	 (736,662)
 UNRESTRICTED NET ASSETS, BEGINNING OF YEAR	 <u>2,893,007</u>	 <u>3,629,669</u>
 UNRESTRICTED NET ASSETS, END OF YEAR	 <u>\$ 2,568,925</u>	 <u>\$ 2,893,007</u>

The accompanying notes are an integral part of the financial statements.

ILLINOIS MANUFACTURING EXTENSION CENTER
STATEMENTS OF CASH FLOWS
Years Ended September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ (324,082)	\$ (736,662)
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
Effects of changes in operating assets and liabilities:		
Accounts receivable	(311,021)	102,107
Prepaid expenses	(136)	(628)
Accounts and subrecipient payable	<u>22,153</u>	<u>(37,035)</u>
Net cash used in operating activities	(613,086)	(672,218)
 CASH AND CASH EQUIVALENTS		
Beginning of year	<u>2,373,750</u>	<u>3,045,968</u>
End of year	<u>\$ 1,760,664</u>	<u>\$ 2,373,750</u>

The accompanying notes are an integral part of the financial statements.

ILLINOIS MANUFACTURING EXTENSION CENTER
NOTES TO FINANCIAL STATEMENTS
September 30, 2012 and 2011

NOTE 1 - OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Operations

Illinois Manufacturing Extension Center (IMEC) is dedicated to improving the productivity and competitiveness of Illinois manufacturers by providing a comprehensive range of programs and consulting services.

Separation of Assets

Bradley University (University) serves as a fiscal agent for IMEC. During 1998, IMEC obtained 501(c)(3) status, and effective October 1, 1998 began operating as a separate stand-alone organization, at which time IMEC's assets were separated from the University.

Basis of Presentation

The classification of net assets and revenues, expenses, gains, and losses are based on the absence or existence of donor-imposed restrictions. These are separated into three categories: unrestricted net assets which have no donor-imposed restrictions; temporarily restricted net assets which have donor-imposed restrictions that will expire in the future; and permanently restricted net assets which have donor-imposed restrictions that do not expire. All net assets of IMEC are unrestricted.

IMEC's financial statements are prepared on the accrual basis of accounting.

Cash and Cash Equivalents

IMEC defines cash equivalents as securities with original maturities of 90 days or less at the date of purchase.

Accounts Receivable - Program Service

Accounts receivable - program service are uncollateralized obligations which generally require payment within thirty days from the invoice date. Accounts receivable - program service are stated at the invoice amount.

ILLINOIS MANUFACTURING EXTENSION CENTER
NOTES TO FINANCIAL STATEMENTS
September 30, 2012 and 2011

NOTE 1 - OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Accounts Receivable - Program Service (Continued)

The carrying amount of accounts receivable - program service is reduced by a valuation allowance that reflects management's best estimate of amounts that will not be collected. The allowance for doubtful accounts is based on management's assessment of the collectibility of specific customer accounts and the aging of accounts receivable. If there is a deterioration of a customer's creditworthiness, management's estimates of the recoverability of amounts due IMEC could be adversely affected. All accounts or portions thereof deemed to be uncollectible or to require an excessive collection cost are written off to the allowance for doubtful accounts.

Revenue Recognition

Revenues from grant awards, cooperative agreements, and other sources are recorded upon recognition of the related expenditures or services provided.

Unexpended Program Income

Unexpended program income is retained by IMEC and used to meet the cost-sharing requirement of the National Institute of Standards and Technology - Manufacturing Extension Partnership (NIST-MEP) Cooperative Agreement. The balance of unexpended program income is \$80,898 and \$41,327 at September 30, 2012 and 2011, respectively. Program income resulting from NIST-MEP Funding must be used to meet the cost-sharing requirements of the award.

Income Taxes

IMEC is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and, accordingly, no provision for such taxes has been made.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

ILLINOIS MANUFACTURING EXTENSION CENTER
NOTES TO FINANCIAL STATEMENTS
September 30, 2012 and 2011

NOTE 2 - COOPERATIVE AGREEMENTS AND GRANTS

During the fiscal year ended September 30, 2012, IMEC had the following cooperative agreements and grants

<u>Grant Number</u>	<u>Name</u>
70NANB10H315	Manufacturing Extension Partnership Cooperative Agreement
70NANB10H149	Manufacturing Extension Partnership Cooperative Agreement
70NANB10H211	MEP Service to Chicago Metropolitan Area Service Territory
70NANB12H027	Next Generation Rail Industry Initiative
SH-19497-09-60-F-17	Susan Harwood Training Grant

<u>Grant Number</u>	<u>Start Date</u>
70NANB10H315	October 1, 2010
70NANB10H149	July 1, 2010
70NANB10H211	July 1, 2010
70NANB10H027	February 10, 2012
SH-19497-09-60-F-17	September 30, 2009

<u>Agency</u>	<u>Description</u>
United States Department of Commerce, National Institute of Standards and Technology	Transferring manufacturing technology and best practices to manufacturers to assist them in improving their productivity and competitiveness
United States Department of Commerce, National Institute of Standards and Technology	Transferring manufacturing technology and best practices to manufacturers to assist them in improving their productivity and competitiveness
United States Department of Commerce, National Institute of Standards and Technology	Transferring manufacturing technology and best practices to manufacturers to assist them in improving their productivity and competitiveness
United States Department of Commerce, National Institute of Standards and Technology	Finding and developing manufacturers as potential suppliers for the next generation rail industry in the US
United States Department of Labor, Occupational Safety and Health Administration	Targeted Topic training addressing general industry hazards related to health hazards in the general industry

<u>End Date</u>	<u>Matching Requirement</u>
June 30, 2013	N/A
September 30, 2012	67% of expenditures
September 30, 2012	50% of expenditures
June 30, 2012	N/A
December 31, 2011	N/A

ILLINOIS MANUFACTURING EXTENSION CENTER
NOTES TO FINANCIAL STATEMENTS
September 30, 2012 and 2011

NOTE 3 - SUBRECIPIENTS

A significant portion of IMEC's costs are incurred by IMEC's subrecipients for purposes of financial reporting. A summary of subrecipient expenditures (reimbursed by IMEC) as of September 30, 2012 and 2011 are as follows:

	<u>2012</u>	<u>2011</u>
Tooling and Manufacturing Association	\$ 182,000	\$ 200,000
Northern Illinois University	1,467,474	1,437,304
Bradley University	253,758	246,430
Southern Illinois University	1,124,061	1,012,507
Illinois State University	666,177	598,702
University of Illinois	582,314	380,291
University of Illinois - Illinois Sustainable Technology Center	<u>71,202</u>	<u>-</u>
	<u>\$ 4,346,986</u>	<u>\$ 3,875,234</u>

NOTE 4 - CONCENTRATION OF CREDIT RISK

IMEC receives a significant amount of its funding from federal sources. The federal funding is through the DOL/OSHA - Susan Harwood Grant and the MEP Cooperative Agreement for the year ended September 30, 2012. Federal funding for the year ended September 30 2011 was through the DOL/OSHA - Susan Harwood Grant, the MEP Cooperative Agreement, the City of Rockford Development Department (U.S. Department of Energy) - Energy Efficiency and Conservation Block Grant, the University of Illinois at Chicago, and the University of Illinois at Urbana-Champaign. Federal funding provided 58 and 61 percent of IMEC's revenues for the years ended September 30, 2012 and 2011, respectively.

The state funding is through the Illinois Department of Commerce and Economic Opportunity, and provided 7 percent of IMEC's revenues for the year ended September 30, 2012. There was no state funding for the year ended September 30, 2011.

NOTE 5 - RELATED PARTY

IMEC has entered into an arrangement with the University whereby IMEC utilizes the University's financial systems for the recording of financial data. All funds received by IMEC were held on its behalf by the University. IMEC has been charged for University employees contracted to IMEC, accounting services, and occupancy costs incurred by the University in connection with IMEC's operation. These costs aggregate to approximately \$962,030 and \$1,111,043 for the years ended September 30, 2012 and 2011, respectively.

ILLINOIS MANUFACTURING EXTENSION CENTER
NOTES TO FINANCIAL STATEMENTS
September 30, 2012 and 2011

NOTE 5 - RELATED PARTY (CONTINUED)

IMEC has entered into contracts with various clients that are owned or managed by IMEC Board Directors. These contracts were for services delivered by IMEC and conducted in accordance with IMEC's bylaws that allow Board Directors to receive services on the same basis as other manufacturers. Contracts of this nature in the amount of \$104,872 and \$228,836 were entered into during 2012 and 2011, respectively. IMEC made no payments to Board Directors other than for reimbursement of travel expenditures to attend IMEC Board, Committee meetings, and related functions.

NOTE 6 - FUNCTIONAL EXPENSE CLASSIFICATION

IMEC has two functional expense categories - Manufacturing Extension Related Services and Management and General. Expenses for Manufacturing Extension Related Services totaled \$6,242,358 and \$5,688,145 and expenses for Management and General totaled \$727,764 and \$866,831 for the years ended September 30, 2012 and 2011, respectively.

NOTE 7 - SUBSEQUENT EVENTS

Management evaluated subsequent events through February 27, 2013, the date the financial statements were available to be issued.

This information is an integral part of the accompanying financial statements.

**ILLINOIS MANUFACTURING EXTENSION CENTER
SCHEDULE OF FUNCTIONAL EXPENSES
Year Ended September 30, 2012**

	<u>Program Service</u>	<u>Management and General</u>	<u>Total</u>
Subrecipient and BUHQ Payments			
Personnel	\$ 2,909,862	\$ 414,897	\$ 3,324,759
Fringe benefits	<u>1,036,480</u>	<u>107,640</u>	<u>1,144,120</u>
Personnel and fringe	3,946,342	522,537	4,468,879
Travel	103,163	145	103,308
Supplies	4,422	-	4,422
Contractual	253,202	2,000	255,202
Other	32,072	1,500	33,572
Host admin charges	<u>361,295</u>	<u>82,338</u>	<u>443,633</u>
Total direct	4,700,496	608,520	5,309,016
Indirect charges	-	-	-
Total	<u>\$ 4,700,496</u>	<u>\$ 608,520</u>	<u>\$ 5,309,016</u>
Other Payments			
Personnel	\$ 50,516	\$ 1,437	\$ 51,953
Fringe benefits	<u>3,864</u>	<u>110</u>	<u>3,974</u>
Personnel and fringe	54,380	1,547	55,927
Travel	263,200	13,612	276,812
Supplies	49,734	23,982	73,716
Contractual	1,123,833	6,684	1,130,517
Other	50,715	73,419	124,134
Host admin charges	-	-	-
Total direct	1,541,862	119,244	1,661,106
Indirect charges	-	-	-
Total	<u>\$ 1,541,862</u>	<u>\$ 119,244</u>	<u>\$ 1,661,106</u>
IMEC Total			
Personnel	\$ 2,960,378	\$ 416,334	\$ 3,376,712
Fringe benefits	<u>1,040,344</u>	<u>107,750</u>	<u>1,148,094</u>
Personnel and fringe	4,000,722	524,084	4,524,806
Travel	366,363	13,757	380,120
Supplies	54,156	23,982	78,138
Contractual	1,377,035	8,684	1,385,719
Other	82,787	74,919	157,706
Host admin charges	<u>361,295</u>	<u>82,338</u>	<u>443,633</u>
Total direct	6,242,358	727,764	6,970,122
Indirect charges	-	-	-
Total	<u>\$ 6,242,358</u>	<u>\$ 727,764</u>	<u>\$ 6,970,122</u>

NOTE TO SUPPLEMENTARY INFORMATION

The Schedule of Functional Expenses classifies payments to host organizations according to their natural or object classification, as well as distinguishing these payments between program services and management and general classifications. Subrecipients which do not involve host employment relationships will remain in the contractual line. In the Statement of Activities, payments to host organizations are classified as contractual and subrecipient payments.

**ILLINOIS MANUFACTURING EXTENSION CENTER
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2012**

<u>Federal Grantor/Pass-through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Federal Expenditures</u>
U.S. DEPARTMENT OF COMMERCE, NATIONAL INSTITUTE OF STANDARDS & TECHNOLOGY			
Direct:			
Manufacturing Extension			
Partnership (Major)	11.611	70NANB10H149	\$ 1,702,154
		70NANB10H211	1,732,087
		70NANB10H315	399,709
		70NANB12H027	<u>45,000</u>
Total Department of Commerce			3,878,950
U.S. DEPARTMENT OF LABOR			
Passed through:			
Occupational Safety and Health			
Administration Susan Harwood			
Training Program	17.502	SH-19497-09-60-F-17	<u>3,265</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 3,882,215</u>

This schedule should be read only in connection with
the accompanying notes to the schedule.

ILLINOIS MANUFACTURING EXTENSION CENTER
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended September 30, 2012

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") summarizes the expenditures of Illinois Manufacturing Extension Center ("IMEC") under programs of the federal government for the fiscal year ended September 30, 2012. The U.S. Department of Commerce, National Institute of Standards and Technology's federal funding is provided to IMEC on a reimbursement basis. The federal reimbursement is calculated based on either a 33 percent or a 50 percent share of total cash and in-kind expenditures. In-kind expenditures are not to exceed 50 percent of the total amount of cash and in-kind expenditures. The Susan Harwood Training Program federal funding is provided to IMEC on a reimbursement basis. All cash and in-kind expenditures are required to meet the federal funding requirements set forth in OMB Circular A-133. Because the Schedule presents only a selected portion of the operations of IMEC, it is not intended to and does not present the financial position, or the changes in net assets and cash flows of IMEC.

For purposes of the Schedule, federal awards include all grants, contracts, and similar agreements entered into directly between IMEC and agencies and departments of the federal government and all subawards to IMEC by nonfederal organizations pursuant to federal grants, contracts, and similar agreements. The Schedule presents expenditures by federal agency for IMEC's major and nonmajor programs in accordance with the provisions of U.S. Office of Management and Budget Circular A-133 ("OMB A-133"), *Audits of States, Local Government and Nonprofit Organizations*.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures for federal programs are recognized as incurred using the accrual basis of accounting and the cost of accounting principles contained in the OMB Circular A-122, *Cost Principles for Nonprofit Organizations*. Under those cost principles, certain types of expenditures are not allowable or are limited as to reimbursement. Moreover, expenditures include a portion of costs associated with general activities (indirect costs).

NOTE 3 - OTHER NONCASH ASSISTANCE

IMEC did not receive any federal awards in the form of noncash assistance for insurance in effect during the year, loans, or loan guarantees.

ILLINOIS MANUFACTURING EXTENSION CENTER
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended September 30, 2012

NOTE 4 - SUBRECIPIENTS

Of the federal expenditures presented in the Schedule, IMEC provided federal awards to subrecipients as follows:

<u>Federal Grantor/Pass-through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
Manufacturing Extension Partnership	11.611	\$ 2,502,853
Susan Harwood Training Program	17.502	<u>2,626</u>
		<u>\$ 2,505,479</u>

This information is an integral part of the accompanying schedule.

**ILLINOIS MANUFACTURING EXTENSION CENTER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2012**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? Yes x No
- Significant deficiencies identified that are not considered to be material weaknesses? Yes x None Reported

Noncompliance material to financial statements noted? Yes x No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes x No
- Significant deficiencies identified that are not considered to be material weakness(es)? Yes x None Reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? Yes x No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
11.611	U.S. Department of Commerce, National Institute of Standards and Technology, Manufacturing Extension Partnership

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? x Yes No

**ILLINOIS MANUFACTURING EXTENSION CENTER
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2012**

Section II - Financial Statement Findings

None reported.

Section III - Federal Award Findings and Questioned Costs

None reported.

**ILLINOIS MANUFACTURING EXTENSION CENTER
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended September 30, 2012**

There were no prior year audit findings.

**Independent Auditor's Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based on
an Audit of Financial Statements Performed in Accordance
With Government Auditing Standards**

Board of Directors
Illinois Manufacturing Extension Center
Peoria, Illinois

We have audited the financial statements of Illinois Manufacturing Extension Center (IMEC) as of and for the year ended September 30, 2012, and have issued our report thereon dated February 27, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of IMEC is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered IMEC's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of IMEC's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of IMEC's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether IMEC's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of IMEC's Board of Directors, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

Peoria, Illinois
February 27, 2013

**Independent Auditor's Report on Compliance With Requirements
That Could Have a Direct and Material Effect on Each Major
Program and on Internal Control Over Compliance
in Accordance With OMB Circular A-133**

Board of Directors
Illinois Manufacturing Extension Center
Peoria, Illinois

Compliance

We have audited Illinois Manufacturing Extension Center's (IMEC) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2012. IMEC's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of IMEC's management. Our responsibility is to express an opinion on IMEC's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about IMEC's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on IMEC's compliance with those requirements.

In our opinion, IMEC complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2012.

Internal Control Over Compliance

Management of IMEC is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered IMEC's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of IMEC's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of IMEC's Board of Directors, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

Peoria, Illinois
February 27, 2013