

NONPROFIT SECTOR STUDY

An Analysis of the Impact of the Nonprofit Sector in North Dakota: Challenges and Opportunities

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FOREWORD

The charitable nonprofit sector in North Dakota is a sizeable collection of diverse organizations that are both growing and greatly influencing the lives of people within the state through their support of numerous activities, programs, and initiatives. However, the extent and investment of these activities is relatively unknown. The purpose of this project is to raise awareness of the impact of the nonprofit sector in the state of North Dakota, to investigate where scarce resources are being dedicated throughout the charitable sphere, and to determine if that investment is effectively and efficiently delivered. Moreover, by informing nonprofit organizations, through the use of data, we hope to inspire action. Specifically, this action involves leaders taking positive steps towards making a difference in both North Dakota's nonprofit community and in the lives of its residents. This project also serves to guide future efforts aimed at nonprofit sector performance improvement and to help the nonprofit sector achieve the greatest possible societal impact within the state.

ACKNOWLEDGMENTS

This report is a study of North Dakota's nonprofit sector commissioned by the Dakota Medical Foundation. The study is centered largely on data obtained from the tax returns filed by nonprofit organizations. It involved collecting and analyzing quantitative data via IRS tax Form 990/990-PFs (Return of Organization Exempt from Income Tax) obtained from the IRS Business Master File from the National Center for Charitable Statistics at the Urban Institute and Form 990-PF (Return of Private Foundations) from the Foundation Center. The study focuses on the most recent reported data which in most cases are from 2007 or 2006.

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EXECUTIVE SUMMARY

PROJECT PURPOSE AND BACKGROUND

The charitable nonprofit sector in North Dakota is sizeable, diverse, and one that greatly influences the lives of this state's residents. The sector's impact is not well understood nor is the extent to which investments within this sector are effectively and efficiently delivered. This study examines financial characteristics of a sizeable sample of the largest public charities and private foundations within North Dakota in an attempt to derive objective measures of performance. Our work was guided by the research literature that suggests a good starting point is to examine financial efficiencies within the money flow of organizations. Therefore, we used Internal Revenue Service (IRS) records to examine trends in the relationship between financial inputs such as revenue and assets relative to expenses, specifically those dedicated to direct services.

METHODOLOGY

Data were collected from the IRS, specifically Form 990 (Return of Organization Exempt From Income Tax) available from the IRS Business Master File from the National Center for Charitable Statistics at the Urban Institute and from Form 990-PF (Return of Private Foundations) available from the Foundation Center. In most cases, the latest year for which data were available was 2007. Our sample included North Dakota's top 100 public charities and 66 foundations based on assets. Three financial performance scores (i.e., fiscal, mission, and sustainability) were developed for public charities and one performance score (i.e., financial) was derived for private foundations based on various ratios of expenses to revenue/assets. We used these scores to examine trends in financial performance by various characteristics of nonprofit organizations such as organizational type and levels of revenue, assets, and expenses.

FINDINGS

PUBLIC CHARITIES

Resources among the public charities in North Dakota are highly concentrated.

The IRS Business Master File from the National Center for Charitable Statistics provided 2007 data for 650 public charities in North Dakota. The resource base within this nonprofit sector is heavily concentrated within the top tier of charitable organizations.

- In 2007, the 650 public charities in North Dakota represented an estimated \$3.9 billion in assets.
- The top 100 public charities, which was our study sample, held 84 percent of total assets within the nonprofit sector in the state.
- The top 10 public charities accounted for 59 percent of the sample's total assets, 66 percent of the sample's total revenue, and 67 percent of the sample's total expenses.
- The concentration of public charitable resources is largely centered within the health care field. Within our sample, public charities representing health care accounted for 61 percent of total assets, 77 percent of total revenue, and 80 percent of expenses.

Revenue streams among public charities are highly concentrated.

- Nearly 86 percent of total revenue within our sample was received as payment for program services such as admissions to museums, tuition received by schools, government fees or contracts, and payment to hospitals for medical services.
- Less than 5 percent of revenue was generated from either private contributions or government grants.

The distribution of private contributions to public charities is heavily concentrated.

- More than 70 percent of the private contributions in our sample were donated to educational institutions.
- Contributions to health care and human services organizations combined comprised only 15 percent of private donations within our sample.

Management and general expenses among public charities are relatively high.

- The second largest expense category among public charities is management fees and general expenses accounting for 12 percent of total expenses within our sample.

Financial performance among North Dakota's top public charities is mixed.

Fiscal Performance

The fiscal health of our sample of public charities was measured by combining four financial ratios together: 1) total revenue ÷ total expenses, 2) (total revenue – total expenses) ÷ total revenue, 3) (total revenue – total expenses) ÷ total assets and 4) total contributions ÷ expenses. One can interpret this score as a broad composite of a public charity's expenses relative to its worth or its revenue.

- 48 percent of public charities in our sample are financially weak relative to 32 percent that have very robust fiscal performance scores.
- Public charities in health care and human services, two of the largest types, have the lowest fiscal performance scores.
- Public charities with revenue and expenses above \$10 million had the lowest fiscal performance scores, most of which were in health care.

Mission Performance

Mission performance was comprised of three ratios that offer a composite of contributions a public charity receives relative to its worth or its revenue and the distribution of that revenue to programs. These ratios were: 1) program revenue ÷ total revenue, 2) total contributions ÷ total revenue, and 3) total contributions ÷ total assets.

- Public charities in our sample uniformly contributed a high proportion of revenue to programs. However, the revenue stream for a significant proportion of nonprofit organizations comes from program payments relative to contributions (i.e., gifts, grants, or

other sources). The main exception is nonprofits in the field of education or community improvement or public/social benefit.

Sustainability Performance

Sustainability is an assessment of financial health based on the diversity of funding and the breadth of the public charity's financial portfolio. The ratios used in this measure were: 1) total revenue ÷ total assets, 2) net assets ÷ total assets, 3) direct public support ÷ total assets, and 4) total securities ÷ total assets.

- There is a high degree of sustainability among public charities in North Dakota, regardless of the type of charity.
- Sustainability is positively related to revenue and expenses. Those charities with the largest revenue or expenses stream had the highest sustainability scores.

PRIVATE FOUNDATIONS

Foundation resources are highly concentrated and revenue/expense streams differ markedly from public charities in both source and magnitude.

- The top 10 foundations in our sample held 81 percent of total foundation assets, 81 percent of the revenue, and 76 percent of foundation spending.
- In contrast to public charities, the majority of assets within foundations are from securities (i.e., corporate stocks, bonds, and government obligations).
- Nearly one-third of the revenue generated by foundations was from contributions, whereas the primary source of revenue among public charities is from program services.
- Foundations rely heavily on revenue from capital gains. It was the second leading source of revenue in our sample.
- 74 percent of foundation expenses were for charitable contributions, gifts, and grants.

Management and general expenses among private foundations are relatively high.

- Operating and administrative expenses accounted for 26 percent of our sample's foundation expenses.

Financial performance among North Dakota's top 66 private foundations is strong.

We were limited in our ability to analyze financial performance among foundations due to a small sample size. Our only performance measure (i.e., financial performance) was comprised of six ratios: 1) total revenue ÷ total assets, 2) total revenue ÷ total expenses, 3) (total revenue – total expenses) ÷ total revenue, 4) total contributions ÷ total expenses, 5) total contributions ÷ total assets, and 6) total contributions ÷ total revenue.

- Financial performance is negatively correlated with the level of assets. Foundations with larger assets tend to have lower median performance scores.
- Financial performance is slightly correlated with revenue but negatively correlated with expenses. Foundations with greater revenue streams but small expenses tend to have higher financial performance scores.

RECOMMENDATIONS

Based on the findings from our analysis we offer the following recommendations for consideration.

1. Efforts should be made to leverage resources and experience within the nonprofit sector, especially since resources in the nonprofit sector are highly concentrated.
 - A collaborative dialogue should be developed among nonprofit organizations.
 - A formal collaborative structure should be considered that allows charities and foundations to work collectively in order to improve visibility and efficiencies.
2. A research effort should be undertaken to explore the implications of public charities relying heavily on program payments relative to contributions resulting in consistently low mission scores while maintaining uniformly high sustainability scores.
 - Inquiries should be made both within the charities and with the public itself.
 - Survey attitudes and perceptions of the residents in the state regarding public charities.
 - Interview staff and management within the nonprofit sector.
3. Support systems should be considered to offer technical assistance to nonprofit organizations that are struggling, especially those with low fiscal performance scores.
4. Objective data regarding nonprofit performance should be triangulated with alternative sources of information.

INTRODUCTION

PROJECT PURPOSE AND BACKGROUND

The charitable nonprofit sector in North Dakota is a sizeable collection of diverse organizations that are both growing and greatly influencing the lives of people within the state through their support of numerous activities, programs, and initiatives. The impact of the caring society created by nonprofit organizations is far reaching and touches the lives of those in the state through the arts, cultural activities, enhanced health and education, and a host of programs and initiatives. However, the impact of the nonprofit sector is not well understood. Moreover, the extent to which the investment of scarce resources dedicated through charitable means is effectively and efficiently delivered also is not well known. The purpose of this project is to explore ways in which the nonprofit community in North Dakota can be more productive with the same resources. In the research literature, it is suggested that a good starting point is to examine efficiencies within the operating practices of nonprofit organizations. The intent of this study is to analyze data from a sample of nonprofit organizations and foundations in North Dakota to determine what patterns exist with regard to operating efficiencies.

METHODOLOGY

The data for this study are centered primarily on tax returns. Information was abstracted from nonprofit organizations in North Dakota that submitted tax returns to the Internal Revenue Service. Data were collected from Form 990 (Return of Organization Exempt From Income Tax) available from the IRS Business Master File from the National Center for Charitable Statistics at the Urban Institute and from Form 990-PF (Return of Private Foundation) available from the Foundation Center. In most cases, the latest year for which data were available was 2007. In October 2008, the National Center for Charitable Statistics provided 2007 data for 650 public charities and 104 foundations in North Dakota. The sample used for this study included the top 100 public charities in terms of assets and the 66 private foundations holding assets of more than \$100,000.

The specific information abstracted from the IRS forms was based upon an extensive review of the literature on nonprofit performance and efficiency. Nearly all current research publications on the nonprofit sector utilizing IRS tax forms focus their attention on analysis of the Form 990 used by public charities. Private foundations, which also comprise a notable portion of the nonprofit sector, rely upon Form 990-PF for their IRS filing and reporting. Although both public charities and private foundations are discussed in this report, the methods of performance analysis had to be altered slightly between the two groups as a result of the differences between the tax forms.

Research efforts were guided largely by findings from Bill Bradley and his colleagues who published, “The Nonprofit Sector’s \$100 Billion Opportunity” in the *Harvard Business Review* in 2003 and William Ritchie and colleagues who published, “Nonprofit Organization Financial Performance Measurement” in the *Journal of Nonprofit Management and Leadership* in 2003. Their focus was on examining effectiveness and efficiencies in money flow. Specifically, they examined various ratios such as a) funds raised to total contributions; b) percentage of expenses that go to direct services or grants; and c)

proportion of expenses spent on fund-raising or administrative costs. In brief, they used these ratios to generate financial performance measures.

Ritchie's design was used to develop financial performance measures based on the North Dakota sample of nonprofit organizations. First, the 16 financial ratios suggested by Ritchie and colleagues were calculated using 15 line items from IRS tax Form 990: 1A, 1D, 5, 8C (column A), 12, 14, 15, 16, 17, 21, 44D, 45, 46, 54, and 59. These ratios were as follows:

1. Total revenue available for programs divided by total revenue
(line 12 – [line 14 + 15 + 16]) ÷ line 12
2. Total revenue divided by total assets
(line 12 ÷ line 59)
3. Total revenue divided by total expenses
(line 12 ÷ line 17)
4. (Total revenue minus total expenses) divided by total revenue
(line 12 – line 17) ÷ line 12
5. (Total revenue minus total expenses) divided by total assets
(line 12 – line 17) ÷ line 59
6. Net assets (i.e., fund balances) divided by total assets
(line 21 ÷ line 59)
7. Direct public support divided by fundraising expenses
(line 1A ÷ line 44D)
8. Total revenue divided by fundraising expenses
(line 12 ÷ line 44D)
9. Total contributions (i.e., gifts, grants, and other contributions) divided by total expenses
(line 1D ÷ line 17)
10. Total contributions (i.e., gifts, grants, and other contributions) divided by total assets
(line 1D ÷ line 59)
11. Total contributions (i.e., gifts, grants, and other contributions) divided by total revenue
(line 1D ÷ line 12)
12. Direct public support divided by total assets
(line 1A ÷ line 59)
13. Return on securities divided by total securities
(line 5 ÷ line 54)
14. Net gain or loss on sale of securities divided by total securities
(line 8C column A) ÷ line 54)
15. Cash and savings divided by total assets
(line 45 + line 46) ÷ line 59
16. Total securities divided by total assets
(line 54 ÷ line 59)

Note: Due to discrepancies between Form 990 and Form 990-PF, different line items were used in the analysis of private foundations than listed for public charities above. See individual forms in the Appendix for more detail.

PUBLIC CHARITIES

Next, factor analysis was conducted to determine which ratios fit well as composite measures. Put another way, ratios that were very consistent when grouped together were combined to create composite measures of performance. When considering the sample of North Dakota's public charities, only 13 of the original 16 ratios were well suited for groupings. These 13 ratios clustered into four basic themes that we labeled: fiscal performance, fundraising efficiency, mission performance, and sustainability. Cronbach's Alpha was used to assess the reliability of each of the four clusters, or composite measures. Alpha scores range from 0 to 1 with the higher the Alpha score, the greater the consistency between scores, or, in our case, ratios. Scores that reach .70 or higher typically are viewed as stable and reliable indices. A review of the distribution of fundraising efficiency by charities indicated a sizeable range, which resulted in its poor performance as a composite index. Therefore, we dropped fundraising efficiency as a performance measure. Three of our four measures met that criteria, therefore we included them in our analyses. The indicators that comprised the clusters and their associated Alpha scores were:

- A. **Fiscal Performance** (ratios 3, 4, 5, 9) Alpha score = .74
 - Total revenue divided by total expenses
 - (Total revenue minus total expenses) divided by total revenue
 - (Total revenue minus total expenses) divided by total assets
 - Total contributions (i.e., gifts, grants, and other contributions) divided by total expenses
- B. **Fundraising Efficiency** (ratios 7, 8) Alpha score = .11
 - Direct public support divided by fundraising expenses
 - Total revenue divided by fundraising expenses
- C. **Mission Performance** (ratios 1, 10, 11) Alpha score = .69
 - Total revenue available for programs divided by total revenue
 - Total contributions (i.e., gifts, grants, and other contributions) divided by total assets
 - Total contributions (i.e., gifts, grants, and other contributions) divided by total revenue
- D. **Sustainability** (ratios 2, 6, 12, 16) Alpha score = .71
 - Total revenue divided by total assets
 - Net assets (i.e., fund balances) divided by total assets
 - Direct public support divided by total assets
 - Total securities divided by total assets

Next, we added the ratios together within each theme to develop a composite score that we used as an indicator for the corresponding theme. This process increases the validity of the measure because the score is a composite of various indicators rather than a single variable. The three themes we identified serve as the study's performance measures among public charities. We used these performance measures to analyze nonprofit organization by type, total assets, total revenue, and total expenses. The mean and median values of performance in each category (i.e., type, assets, revenue, expenses) served as the measures of central tendency for analysis. The mean, or arithmetic average, is sensitive to extreme scores or values when the sample is small. Thus, we included medians within the analysis. The sample size of this project, 100 organizations, is relatively low. This is one such instance where using the

mean as the primary measure of central tendency results in an artificially inflated or deflated score. For the purposes of this study, the median, or middle score, provides a more meaningful and useful tool for statistical analysis. These measures were used to determine which characteristics best predict nonprofit performance.

PRIVATE FOUNDATIONS

The sample of private foundations had to be treated slightly differently due to the divergence in the tax forms. In this case, only six of the original 16 ratios were well suited for grouping. These six ratios clustered into one basic theme which we labeled financial performance. The ratios that comprise this index and its associated Alpha score were:

A. **Financial Performance** (ratios 2, 3, 5, 9, 10, 11) Alpha = .60

- Total revenue divided by total assets
- Total revenue divided by total expenses
- (Total revenue minus total expenses) divided by total assets
- Total contributions (i.e., gifts, grants, and other contributions) divided by total expenses
- Total contributions (i.e., gifts, grants, and other contributions) divided by total assets
- Total contributions (i.e., gifts, grants, and other contributions) divided by total revenue

The relatively low Alpha score of .60 means that our overall performance measure is not as strong of an index as those which we used for public charities. This is likely due to the smaller sample and greater diversity we have in our sample of foundations. Nonetheless, we felt that the measure offered useful insight into our understanding of foundations and allowed us to make some contrasts between private foundations and public charities; therefore, we included it in our analysis. We examined mission performance by foundations' total assets, total revenue, and by their total expenses. The original sample included North Dakota's 66 private foundations holding more than \$100,000. These 66 organizations have diverse modes of operation and their taxes are handled by accountants with slightly varying methods of completing and filing the IRS tax forms. Consequently, not all Form 990-PFs were entirely filled out and many line items were left blank. This resulted from reasons including a lack of understanding in the organization's general operations by the tax preparer, the line item was simply irrelevant to the particular foundation, or both. In any case, the private foundations that did not have each line item utilized in the factor analysis were excluded from the case processing used to examine mission performance. In view of that fact, only 31 of the original 66 cases in the sample were suitable for mission performance analysis.

The mean and median values of performance in each category (i.e., assets, revenue, expenses) served as the measure of central tendency for analysis. The sample size of this project, 66 organizations, is relatively low. When accounting for excluded cases, this number is further reduced to 31. This is another such instance where using the mean as the primary measure of central tendency may result in an artificially inflated or deflated score. Therefore, for the purpose of this study, the median, or middle score, was used to determine which characteristics best predict financial performance.

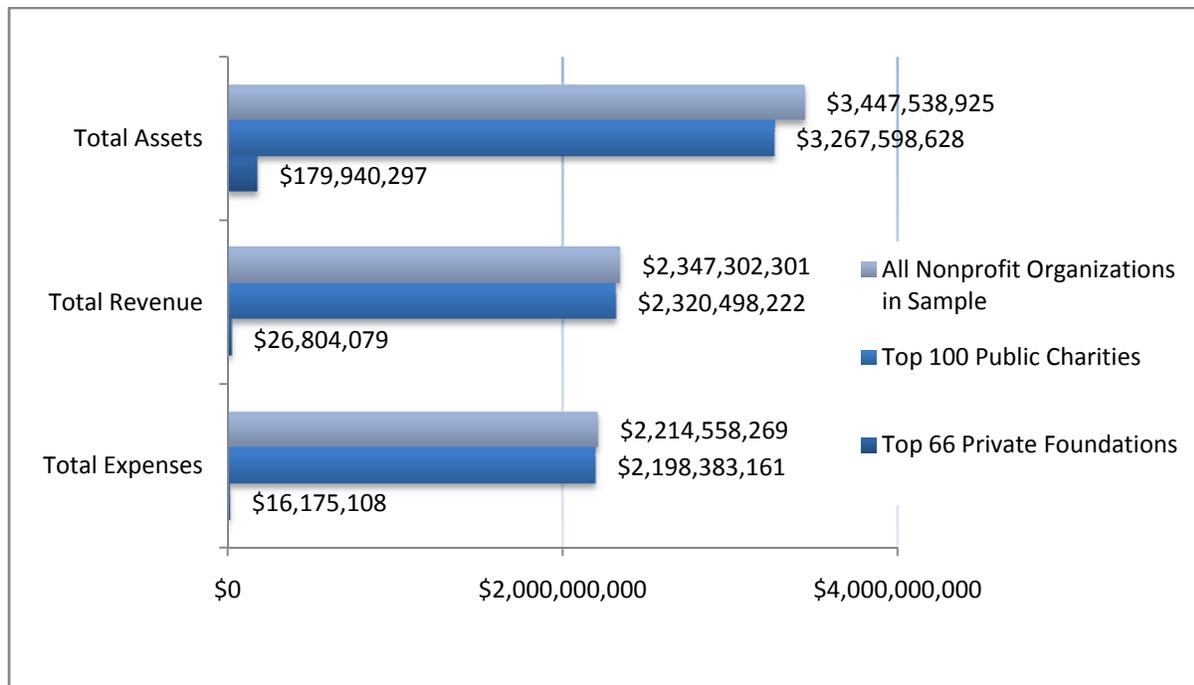
OVERVIEW OF THE NONPROFIT SECTOR IN NORTH DAKOTA

This study examines North Dakota's nonprofit sector through the analysis of IRS data derived from the 2006/2007 tax Form 990 (Return of Organization Exempt from Income Tax) and 990-PF (Return of Private Foundation) filed by public charities and private foundations. In October 2008, the National Center for Charitable Statistics provided 2007 data for 650 public charities and 104 private foundations in North Dakota. The sample of nonprofit organizations used for analysis includes the top 100 public charities in terms of assets and the 66 private foundations in North Dakota holding assets of over \$100,000.

Figure 1 below details the total assets, revenue, and expenses of North Dakota's top nonprofit organizations. See Appendix Tables 1 and 12 for additional information.

- Collectively, the 100 public charities and 66 private foundations that comprise this sample hold nearly \$3.5 billion in assets.
- Public charities comprise the bulk of the nonprofit sector in North Dakota, accounting for nearly 95 percent of the total assets held by the state's top nonprofit organizations.
- Public charities bring in 99 percent of the total revenue generated by the nonprofit sector in North Dakota.
- Over 99 percent of the expenses made by the nonprofit sector in North Dakota are incurred by public charities.

Figure 1. North Dakota's Top 100 Nonprofit Organizations: Total Assets, Revenue, and Expenses, 2007



Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

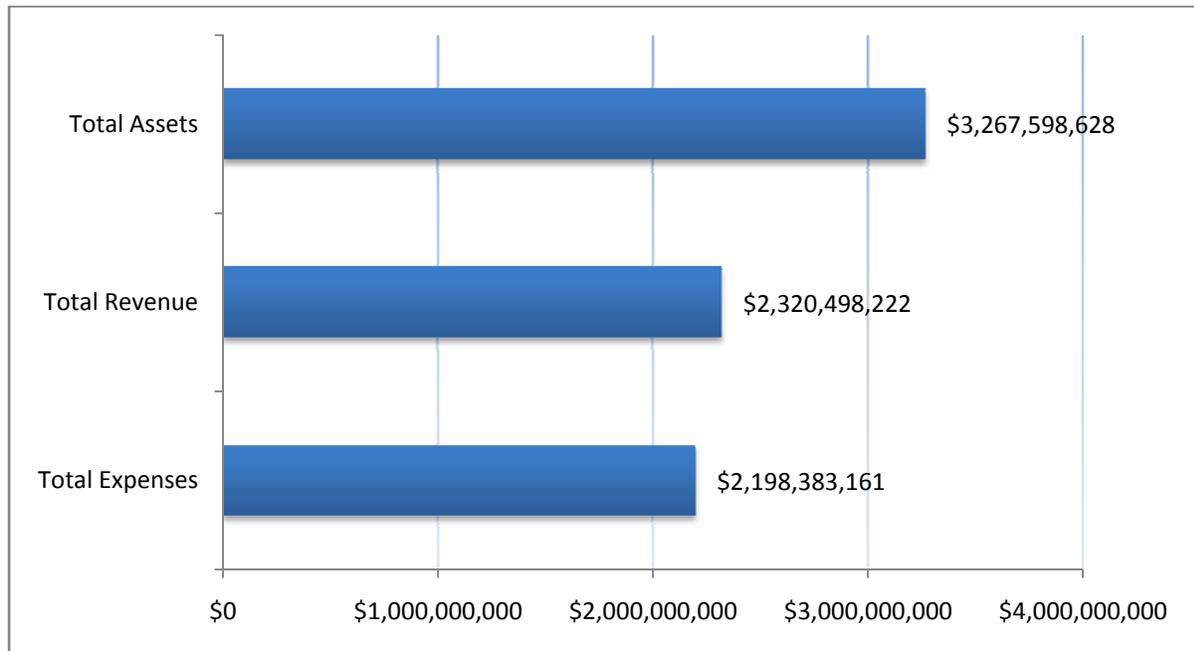
PUBLIC CHARITIES IN NORTH DAKOTA

FINANCIAL CHARACTERISTICS OF NORTH DAKOTA'S TOP 100 PUBLIC CHARITIES

Figure 2 below details the total assets, revenue, and expenses of North Dakota's top public charities. See Appendix Table 1 for additional information.

- In October 2008, the National Center for Charitable Statistics at the Urban Institute provided 2007 data for 650 public charities in North Dakota, which collectively held \$3.9 billion in assets. The sample used in this study includes the 100 charitable organizations holding the highest amounts of assets.
- Although the sample contains less than one-sixth of the 650 public charities reported for North Dakota, the organizations in the sample hold 84 percent of the total assets.
- Collectively, the top 100 public charities in North Dakota hold \$3.3 billion in assets.
- North Dakota's top public charities generate \$2.3 billion in revenue.
- The top public charities in North Dakota reported expenses of \$2.2 billion.

Figure 2. North Dakota's Top 100 Public Charities: Total Assets, Revenue, and Expenses, 2007



Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

THE TOP 10 PUBLIC CHARITIES IN NORTH DAKOTA

The total assets, revenue, and expenses of North Dakota’s top 10 public charities in terms of assets are detailed below in Table 1. This table serves to illustrate the concentration of wealth that exists in the nonprofit sector, specifically concerning organizations classified as public charities. See Appendix Table 1 for a complete list of North Dakota’s top 100 public charities.

- Although these 10 organizations comprise 10 percent of the sample of public charities, they account for 59 percent of the sample’s total assets.
- The top 10 public charities in North Dakota account for 66 percent of the sample’s total revenue.
- Two-thirds of the sample’s total expenses are incurred by these 10 charitable organizations.

Table 1. North Dakota's Top 10 Public Charities in Terms of Total Assets, 2007

Charity Name	Total Assets	Total Revenue	Total Expenses
MeritCare Hospital	\$438,414,098	\$358,772,213	\$333,818,460
Altru Health System	\$329,390,496	\$341,862,777	\$331,375,126
Trinity Health and Affiliates	\$268,452,303	\$173,120,956	\$162,501,601
University of North Dakota Foundation	\$161,919,790	\$24,502,227	\$9,151,649
St. Alexius Medical Center	\$160,881,856	\$182,476,738	\$178,993,144
Trinity Health	\$150,262,219	\$55,840,166	\$61,594,363
MeritCare Medical Group	\$124,266,124	\$320,153,844	\$335,601,340
NDSU Development Foundation	\$120,663,906	\$20,694,872	\$9,950,144
UND Sports Facilities Inc.	\$92,483,294	\$6,683,342	\$11,411,680
Dakota Medical Charities	\$80,059,696	\$5,826,790	\$3,940,516
Total	\$1,926,793,782	\$1,489,933,925	\$1,438,338,023

Note: Table derived from data obtained through the National Center for Charitable Statistics and the Foundation Center.

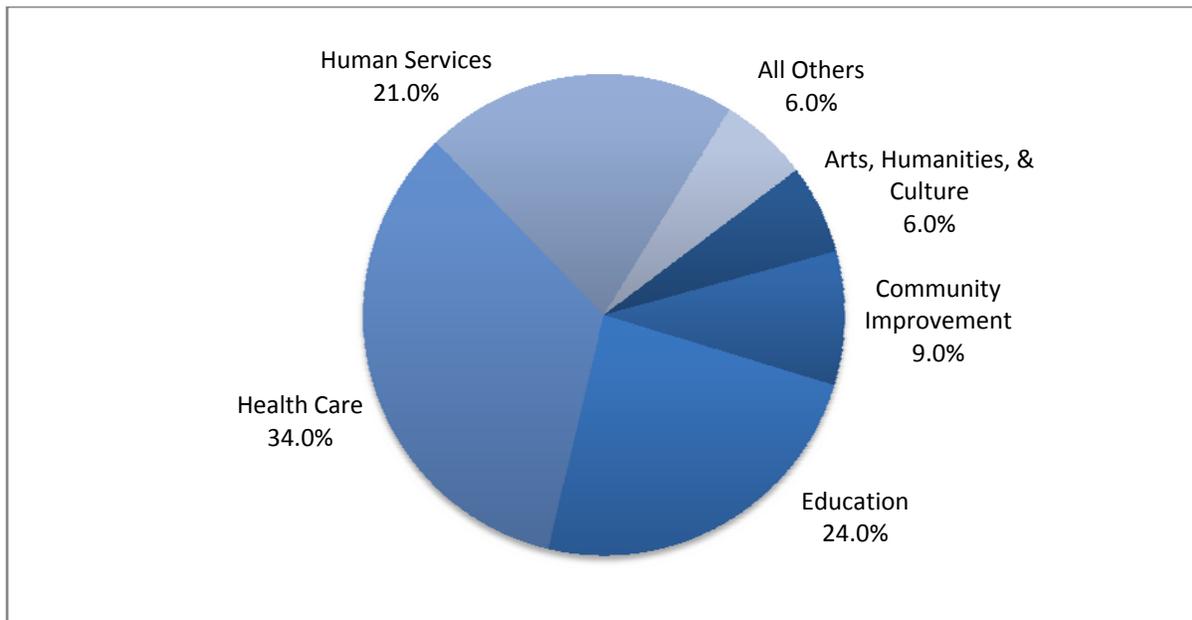
The charitable nonprofit sector in North Dakota is a sizeable collection of diverse organizations that both impacts the state’s economy and influences the lives of North Dakota residents. Through ongoing support of numerous programs and initiatives in the arts, community development, health care, and education, nonprofit organizations continually touch the lives of those in the state. A notable majority of these organizations are classified as public charities and can be categorized into distinct types.

These various types of public charities within the nonprofit sector are illustrated in Figure 3. See Appendix Table 2 for additional information.

- **Health Care:** The largest proportion of North Dakota’s top charitable nonprofits relate to health care, accounting for 34 percent of the sample. Hospitals and medically-focused charitable associations are the primary organizations that make up this segment of the nonprofit sector.

- **Education:** The second largest field is education at 24 percent. Organizations in this category include those serving elementary and secondary schools, as well as those affiliated with universities and other institutions of higher education.
- **Human Services:** Human services nonprofits comprise the third largest field, accounting for 21 percent of the sample. These organizations vary in scope, providing a range of services including youth development, care for the elderly, housing assistance, and family support.
- **Others:** The remaining 21 percent of North Dakota’s top charitable nonprofit organizations fall into a variety of fields including community improvement, arts and culture, research and technology, environmental, and religious or spiritually focused activities.

Figure 3. North Dakota’s Top 100 Public Charities: Type of Organization, 2007



Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

TOTAL ASSETS, REVENUE, AND EXPENSES BY TYPE

Total assets, revenue, and expenses reported by the public charities in the study’s sample were categorized by type of organization. Each organization was placed into a type, or field, based on the purpose detailed in the IRS Form 990. Types containing less than 5 percent of the sample’s organizations were pooled in the category “All Others.”

- **Health Care:** Public charities related to health care hold the most in assets, bring in the most revenue, and have the highest amount of expenses. Organizations affiliated with hospitals and medical services hold 61 percent of the sample’s assets, deliver 77 percent of the sample’s revenue, and expend 80 percent of the aggregate outflow.
- **Education:** Education is the field that is the second largest asset holder at 23 percent of the sample’s total. Organizations affiliated with learning and institutional development also come in second in terms of revenue, generating 10 percent of the sample’s combined revenue. In the realm of expenditures, education ranks third accounting for 8 percent of the total expenses.

- **Human Services:** Nonprofit organizations in the human services field comprise the third largest category in terms of assets with 8 percent of the sample’s total. This field also ranks third in revenue with 9 percent of the total, and it ranks second in expenses accounting for 10 percent of the sample’s total expenses.
- **All Others:** The remaining 7 percent of assets are held by organizations dedicated to the arts, community improvement, the environment, and religious purposes among others. A wide range of services, programs, and initiatives rely on this relatively small amount of capital. Total revenue generated and total costs incurred by these organizations are 3 percent of the sample’s total in each case.

Table 2 details the distribution of total assets, revenue, and expenses by type of public charity. See Appendix Table 2 for additional information.

Table 2. North Dakota’s Top 100 Public Charities: Total Assets, Revenue, and Expenses by Type of Organization, 2007

Type of Public Charity	Total Assets	Total Revenue	Total Expenses
Arts, Humanities, & Culture	\$68,329,128	\$30,025,326	\$23,435,774
Community Improvement	\$104,960,596	\$25,511,202	\$18,425,542
Education	\$751,157,734	\$235,584,231	\$182,217,026
Health Care	\$2,008,542,081	\$1,789,291,405	\$1,748,516,061
Human Services	\$266,594,656	\$218,948,337	\$209,836,079
All Others	\$68,014,433	\$21,137,721	\$15,952,679
Total	\$ 3,267,598,628	\$ 2,320,498,222	\$ 2,198,383,161

Note: Table derived from data obtained through the National Center for Charitable Statistics and the Foundation Center.

NORTH DAKOTA’S TOP 100 PUBLIC CHARITIES: ASSETS BY TYPE OF ORGANIZATION

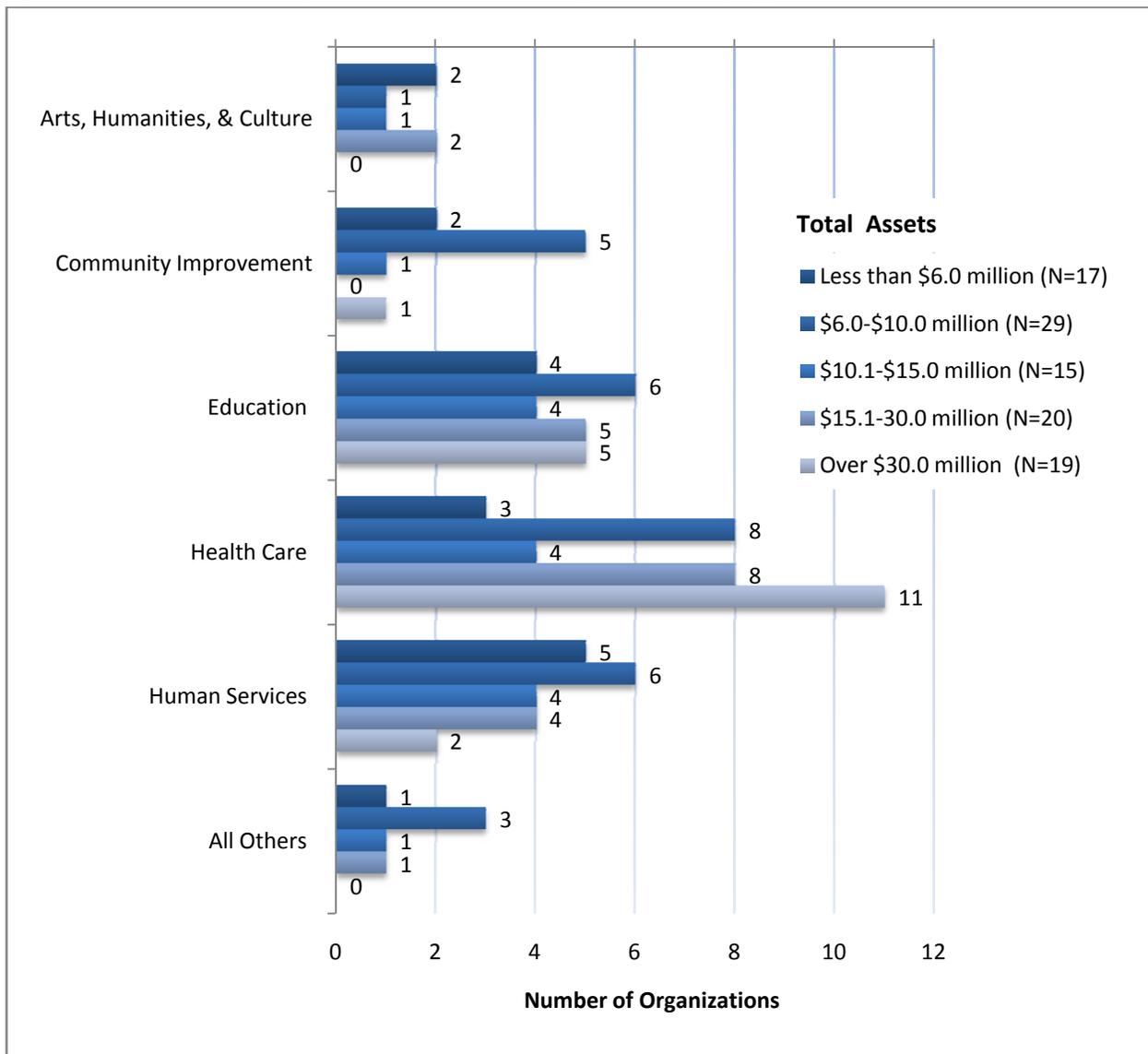
Collectively, North Dakota’s top 100 charitable nonprofit organizations in terms of assets hold \$3.3 billion in assets. The total assets reported by each organization on their IRS tax form fell into one of five different classes. See Appendix Table 3 for additional information.

- 19 percent of North Dakota’s top public charities reported total assets of over \$30 million.
- 20 percent of North Dakota’s top public charities reported total assets of \$15.1 to \$30.0 million.
- 15 percent of North Dakota’s top public charities reported total assets of \$10.1 to \$15.0 million.
- 29 percent of North Dakota’s top public charities reported total assets of \$6.0 to \$10.0 million.
- 17 percent of North Dakota’s top public charities reported holding less than \$6 million in assets.

The distribution of assets among North Dakota’s top public charities is illustrated in Figure 4. See Appendix Table 3 for additional information.

- **Health Care:** The health care segment of North Dakota’s nonprofit sector is by far the wealthiest. Organizations affiliated with hospitals and medical services account for 58 percent of charitable nonprofit organizations holding over \$30.0 million in assets.
- **Education:** The next leading type in terms of assets is education. Charitable nonprofits focused on learning and institutional development account for 26 percent of the organizations that report holding more than \$30.0 million in assets.
- **Others:** Human services and community improvement comprise the remaining types of organizations reporting the highest levels of assets. The human services segment accounts for 11 percent of all organizations holding over \$30.0 million in total assets while organizations affiliated with community improvement account for 5 percent.

Figure 4. North Dakota's Top 100 Public Charities: Organizations by Type and Level of Assets, 2007

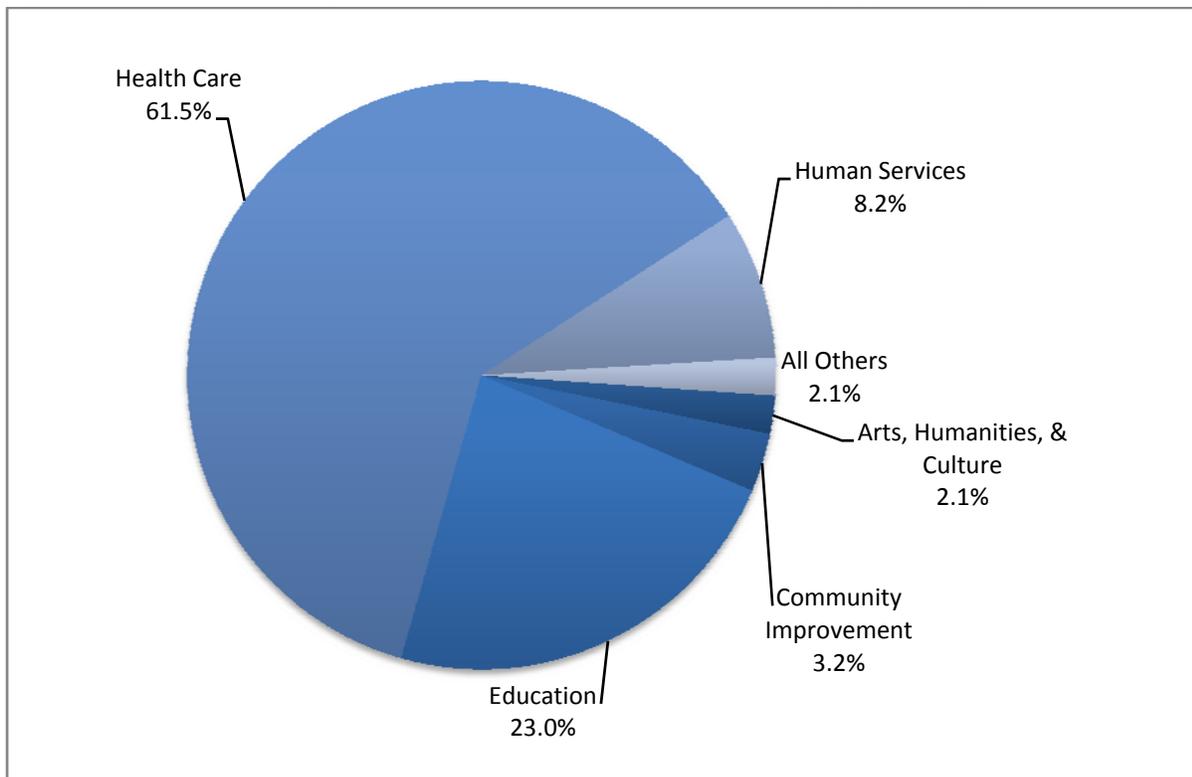


Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

In Figure 5, we illustrate the concentration of financial resources within the nonprofit sector in North Dakota. See Appendix Table 2 for additional information.

- **Health Care:** One-third of the organizations that comprise North Dakota’s top 100 charitable nonprofits are in the field of health care. However, this third holds nearly two-thirds of the group’s total assets. Health care does account for more of North Dakota’s top nonprofit organizations than any other sector, but the disproportionately greater amount of financial resources they hold in comparison to organizations in other segments of the nonprofit sector is notable.
- **Education:** Organizations that operate for the benefit of schools or universities account for 24 percent of North Dakota’s top charitable nonprofits and hold 23 percent of the total assets.
- **Human Services:** Organizations in the field of human services make up 21 percent of North Dakota’s top nonprofits but hold only 8 percent of the assets. Here again, there is an inconsistency between the percentage of organizations belonging to the field of human services and the disproportionately smaller percentage of the group’s total assets held by organizations in the field of human services.

Figure 5. North Dakota’s Top 100 Public Charities: Total Assets Held by Type of Organization, 2007



Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

NORTH DAKOTA'S TOP 100 PUBLIC CHARITIES: REVENUE BY TYPE OF ORGANIZATION

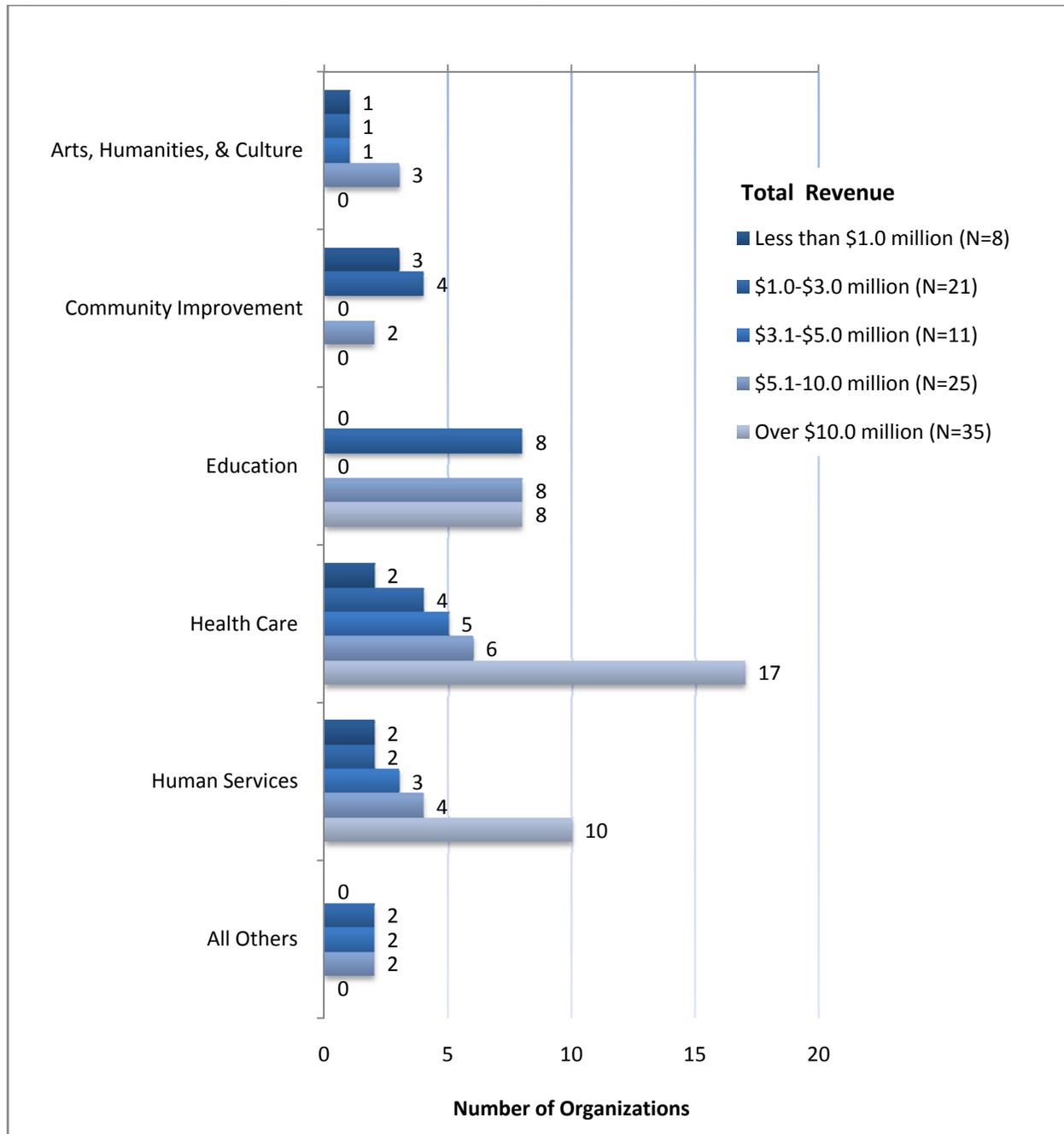
North Dakota's top 100 charitable nonprofit organizations in terms of assets collectively generated \$2.3 billion in revenue. The distribution of total revenue reported by each organization on their IRS tax forms were as follows. See Appendix Table 3 for additional information.

- 35 percent of North Dakota's top public charities reported total revenue of over \$10.0 million.
- 25 percent of the sample reported total revenue of \$5.1 to \$10.0 million.
- 11 percent of top public charities in North Dakota reported total revenue of \$3.1 to \$5.0 million.
- 21 percent of the top public charities in North Dakota reported total revenue of \$1.0 to \$3.0 million.
- 8 percent of the sample reported total revenue of less than \$1.0 million.

A distribution of revenue by type of nonprofit organization offers useful insight into the influx and distribution of financial resources in North Dakota's nonprofit sector. In Figure 6, we illustrate this distribution for North Dakota's top public charities. See Appendix Table 3 for additional information.

- **Health Care:** Health care is the field that brings in the highest levels of revenue, accounting for 49 percent of the organizations reporting over \$10.0 million in revenue.
- **Human Services:** 29 percent of the top nonprofits reporting revenue exceeding \$10.0 million are human services organizations. This segment brings in the second largest amount of money.
- **Education:** Education accounts for 23 percent of the organizations reporting more than \$10.0 million in revenue.
- **Others:** The organizations that fell into the second highest earning class, \$5.1 to \$10.0 million in revenue, are slightly more distributed among the various segments of the nonprofit sector. However, the highest percentages of organizations reporting revenue in this range are concentrated in the fields of education, health care, and human services.

Figure 6. North Dakota's Top 100 Public Charities: Organizations by Type and Level of Revenue, 2007



Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

SOURCES OF REVENUE

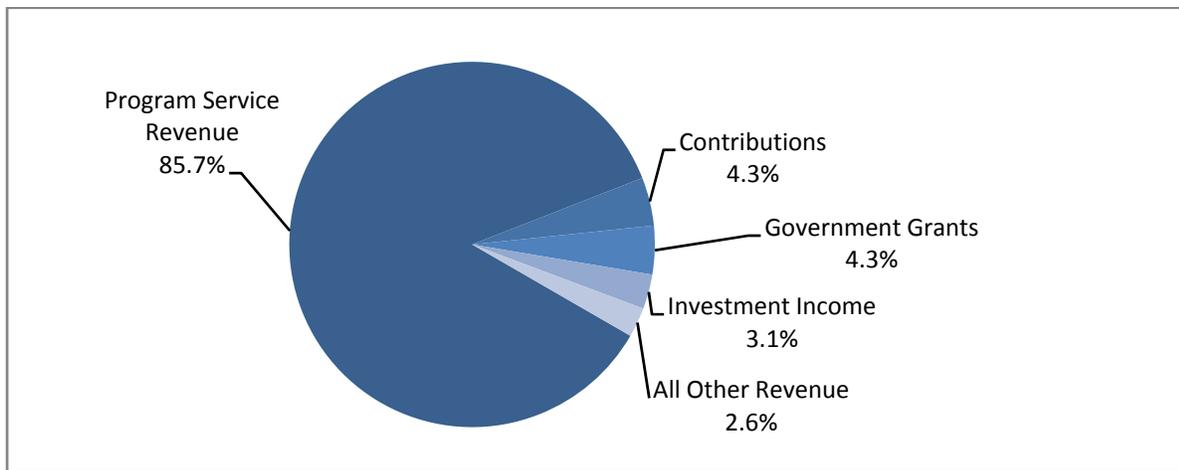
Public charities draw revenue from a variety of sources. Money comes into the organization in the form of private contributions, government grants, program services revenue, membership dues, interest on savings and securities, the sales of assets, and special fundraising events. The bulk of the revenue generated by charitable nonprofits comes in the form of payments for services and goods provided.

Program Services

Figures 7 and 8 illustrate the distribution of revenue, both by source and by type of organization. See Appendix Tables 4 and 5 for more detail.

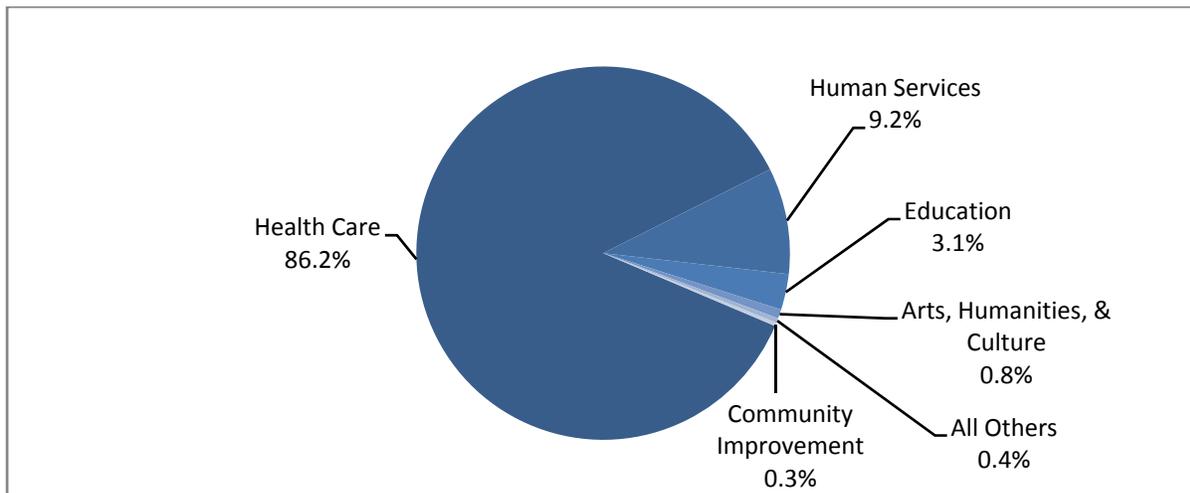
- Nearly 86 percent of the total revenue across all segments of the charitable nonprofit sector is received as payment for program services. Admissions received by a museum, payments to a hospital for medical service, tuition received by a school, and government fees and contracts are examples of this type of revenue.
- Although revenue generated through program services is the largest source of funding through all segments of the nonprofit sector, 86 percent of the revenue received through program services payments is concentrated in health care.

Figure 7. North Dakota's Top 100 Public Charities: Source of Revenue, 2007



Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

Figure 8. North Dakota's Top 100 Public Charities: Program Service Revenue by Type of Organization, 2007



Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

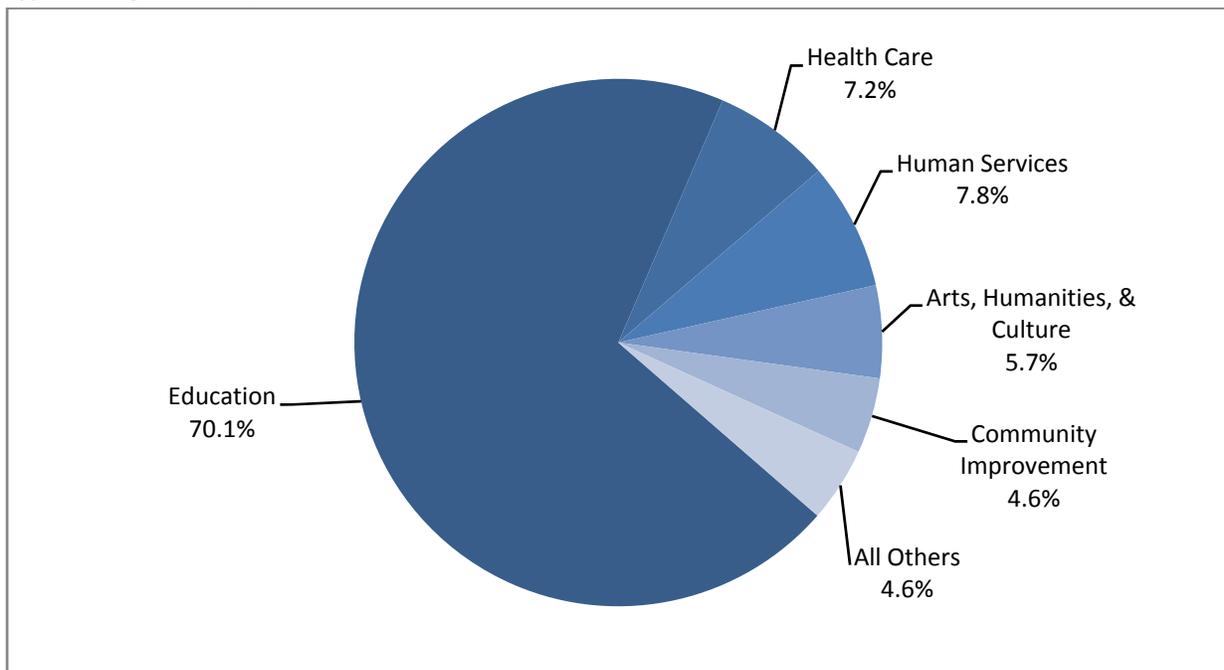
Public Support

Though the bulk of the revenue generated by public charities comes in the form of payments for program services, a fair amount of revenue is received directly and indirectly from the public. This type of revenue includes contributions or gifts from individuals and organizations as well as government grants. While the amount generated is much less than revenue brought in by program services, examination of donations and grants provides a useful measure of public support. What is not known, however, is the relationship between public support and the proportion of revenue generated by contributions relative to payments for program services.

In Figure 9, we detail the distribution of contributions, gifts, and grants received by type of organization. See Appendix Table 6 for more detail.

- **Education:** 70 percent of revenue from contributions, gifts, and grants was received by organizations affiliated with education. This is due in large part to the numerous grants received by educational institutions and donations made through alumni associations.
- **Health Care and Human Services:** 15 percent of the revenue from contributions, gifts, and grants was received by organizations in the fields of health care and human services.
- **All Others:** The remaining 15 percent of revenue received from contributions, gifts, and grants was received by organizations affiliated with the arts, community improvement, and others including environmental issues, research and development, and religious groups.

Figure 9. North Dakota's Top 100 Public Charities: Total Contributions, Gifts, and Grants Received by Type of Organization, 2007



Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

NORTH DAKOTA'S TOP 100 PUBLIC CHARITIES: EXPENSES BY TYPE OF ORGANIZATION

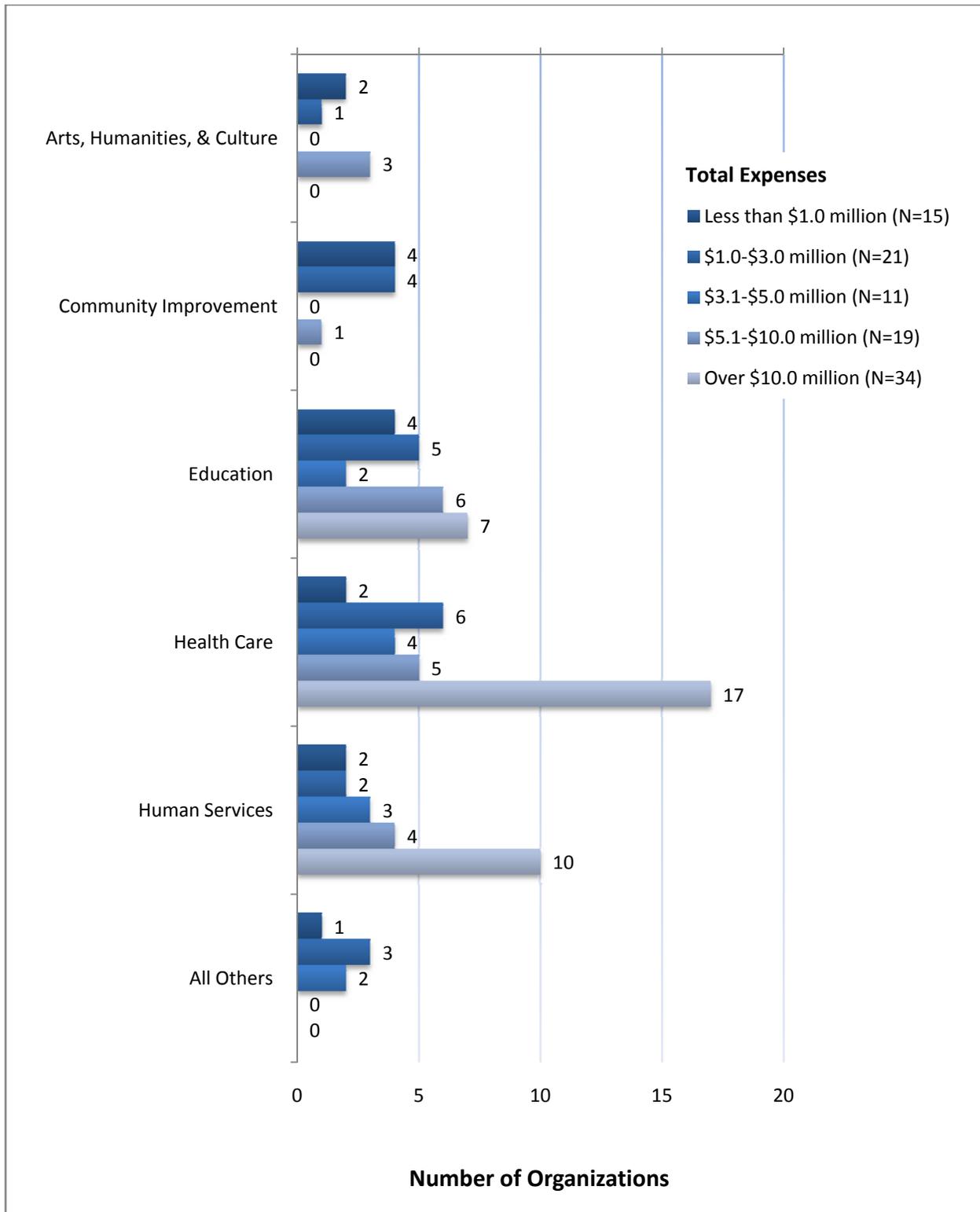
North Dakota's top 100 public charities in terms of assets reported expenses of \$2.2 billion. The distribution of total expenses, reported by each organization on their IRS tax forms, is shown below. See Appendix Table 3 for more detail.

- 34 percent of the North Dakota's top public charities reported expenses of over \$10.0 million dollars.
- 19 percent of North Dakota's top public charities reported total expenses of \$5.1 to \$10.0 million.
- 11 percent of North Dakota's top public charities reported total expenses in the range of \$3.1 to \$5.0 million.
- 21 percent of North Dakota's top public charities reported total expenses of \$1.0 to \$3.0 million.
- 15 percent of North Dakota's top public charities reported expenses of less than \$1.0 million.

A review of nonprofit charitable organizations, by type, reveals an uneven distribution of expenses and outflow of resources. Figure 10 provides the distribution of expenses by type of public charities. See Appendix Table 3 for additional information.

- **Health Care:** Half of all organizations in the sample reporting total expenses of over \$10.0 million are associated with health care.
- **Human Services:** 29 percent of the organizations in the sample that reported spending over \$10.0 million are in human services.
- **Education:** 21 percent of the organizations reporting total expenses over \$10.0 million are associated with education.
- **Others:** Other segments of North Dakota's charitable nonprofit sector that reported expenses over \$5 million are the field of arts, humanities, and culture, which accounts for 16 percent of the organizations spending \$5.1 to \$10.0 million, and the field of community improvement, which accounts for 5 percent of the organizations spending \$5.1 to \$10.0 million.

Figure 10. North Dakota's Top 100 Public Charities: Organizations by Type and Level of Expenses, 2007



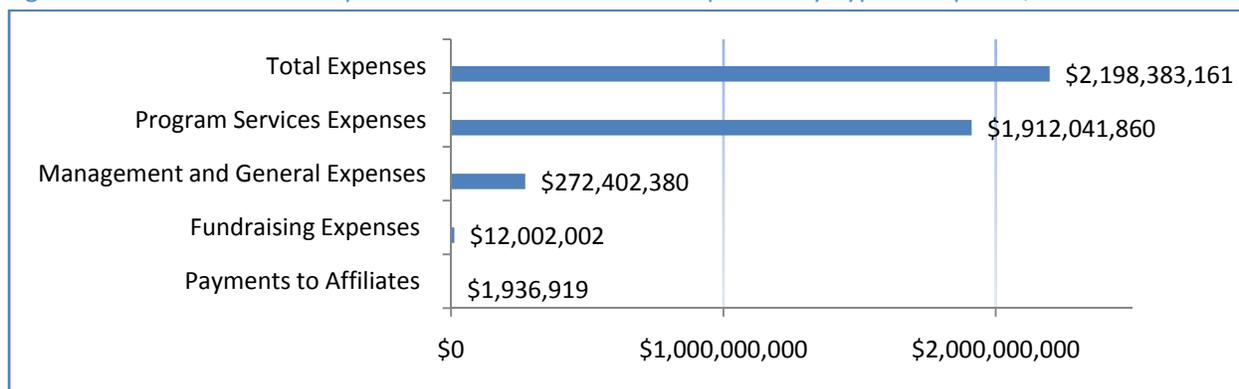
Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

CATEGORIES OF SPENDING

The expenses of a charitable nonprofit organization fall into one of four categories of spending: program services expenses, management and general expenses, fundraising expenses, or payments to affiliates. Of these four categories, program services expenses and management and general expenses were the two primary areas in which North Dakota's top public charities spent money, accounting for 99 percent of the sample's expenses.

In Figure 11, we provide the four categories of expenses among North Dakota's top 100 public charities. See Appendix Table 7 for additional information.

Figure 11. North Dakota's Top 100 Public Charities: Total Expenses by Type of Expense, 2007



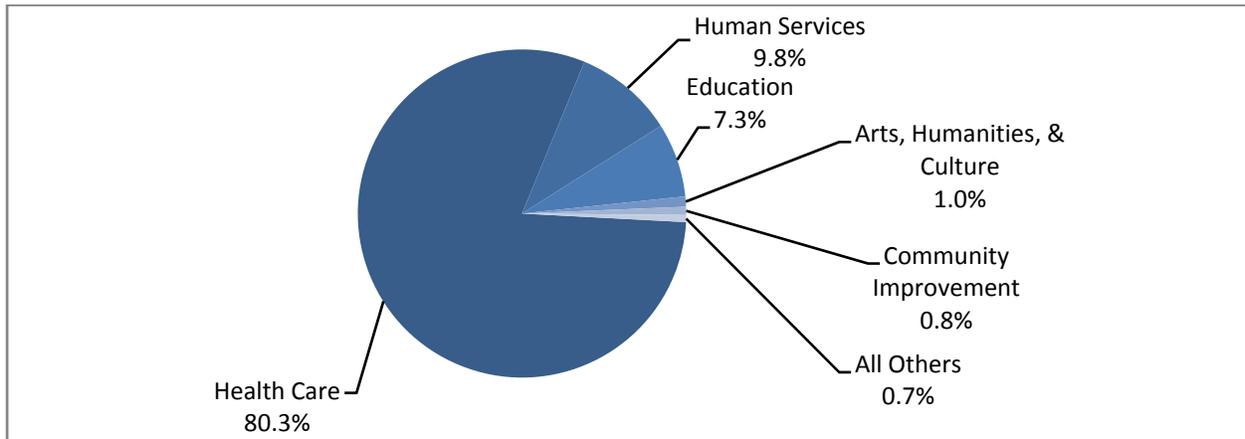
Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

Program Services Expenses

The distribution of program service expenses by type of organization is shown in Figure 12. See Appendix Table 7 for additional information.

- Among North Dakota's top charitable nonprofit organizations, the largest area of spending is in program services, accounting for 87 percent of total expenses. Program services expenses include all money spent throughout the process of preparation and implementation for a program, service, or event. It is in the area of program services that the most revenue is generated and the most expenses are incurred.
- **Health Care:** Program services, in revenue and expenses, tend to be dominated by the medically-affiliated organizations. Health care affiliated charities bring in 86 percent of the nonprofit sector's total program services earnings. It is not surprising, then, that 80 percent of the nonprofit sector's program services expenses are also made by the health care industry.
- **Human Services:** Human services reports spending the second highest amount on program services and accounts for 10 percent of the total expenses in this area.
- **Education:** Educationally affiliated nonprofit organizations account for 7 percent of expenses associated with program services.

Figure 12. North Dakota's Top 100 Public Charities: Program Service Expenses by Type of Organization, 2007



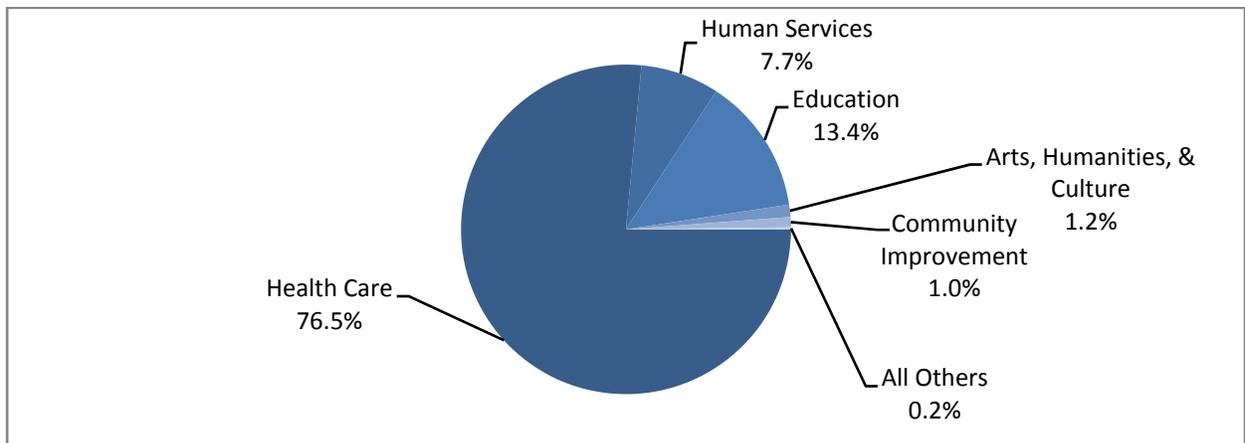
Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

Management and General Expenses

The distribution of management and general expenses by type of organization is provided in Figure 13. See Appendix Table 7 for additional information.

- Management and general expenses was the second largest category of spending, comprising 12 percent of the sector's total. This category includes expenses related to organizational operations such as accounting, legal, and administrative services.
- **Health Care:** Three-fourths of spending on management and general expenses was concentrated in the field of health care.
- **Education:** Education was the next highest-spending field on management and general expenses, accounting for 13 percent of the total.
- **Human Services:** Human services organizations account for 8 percent of the total expenses associated with management and general expenses.

Figure 13. North Dakota's Top 100 Public Charities: Management and General Expenses by Type of Organization, 2007



Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

PUBLIC CHARITIES: PERFORMANCE RESULTS

We analyzed the performance of North Dakota’s public charities based on composite index scores in three specific areas: fiscal, mission, and sustainability. As noted in the methodology section, we utilized a combination of ratios to serve as indicators of performance. These ratios were added together to create composite scores that reflect a relationship between various financial measures from IRS Form 990 and which we feel represent broad measures of performance. We address each of these areas of performance separately.

FISCAL PERFORMANCE

Fiscal performance is a broad assessment of the financial health of public charities. We used an index of four financial relationships (i.e., ratios) as our measure of financial health. Specifically, we were interested in knowing the relationship between total expenses and total revenue/total assets. Thus, we combined the following four ratios together:

- 1) **Total revenue ÷ total expenses:** This ratio gives us insight into the fiscal health of a nonprofit organization by illustrating the relationship of its income to its expenses. For example, if this ratio is less than 1.0, the organization is currently spending more money than it is bringing in. Such a score may be indicative of an organizational problem or unsustainable operational practices. Conversely, if the ratio is greater than 1.0, the nonprofit is generating more money than it is spending, which is essential to the continued growth of the organization.
- 2) **(Total revenue – total expenses) ÷ total revenue:** The next two ratios examine net revenue as a proportion of total revenue and total assets. Subtracting total expenses from total revenue leaves net revenue. This amount is the money available for reinvestment in the mission of the nonprofit and continued organizational development. Net revenue divided by total revenue gives us a proportion of the revenue left for reinvestment and development after liabilities and operating costs have been accounted for.
- 3) **(Total revenue – total expenses) ÷ total assets:** Net revenue divided by total assets gives us the proportion commonly referred to as asset turnover, a financial ratio that measures an organization’s efficiency to use its assets to generate income, or revenue. According to this measure, the higher the nonprofit’s score, or the more revenue an organization can generate with its given assets, the more efficiently it is managing its financial resources.
- 4) **Total contributions ÷ total expenses:** This ratio provides us with a proportion of total expenses that are offset by total contributions (i.e., private donations and grants received). Higher scores in this dimension reflect the financial health of the organization, as it is able to counteract expenses through this source of revenue.

The resulting score, therefore, is a broad composite of a public charity’s expenses relative to its worth or its revenue. However, one should keep in mind that the greatest single contributor to this overall score is the nonprofit’s revenue divided by its expenses, which on average accounted for 70 percent of the total score. Therefore, one can interpret this score as generally representing the following:

Score Value	Interpretation
Less than 1.0	More is expended than received
1.0 to 1.5	Expenses range from 65 percent to 100 percent of revenue
1.6 to 1.9	Expenses range from 50 percent to 64 percent of revenue
2.0 or above	Expenses are less than 50 percent of revenue

The following example may help to put context on interpreting these scores. Let’s say we are contrasting three different nonprofit organizations based on their fiscal score. The first organization had \$1 million in revenue while their expenses for the same year totaled \$1.2 million. Their fiscal score would be about .83 (i.e., \$1 million ÷ \$1.2 million), with a small variation (i.e., on average .22) based on the other three ratios that comprise the total fiscal score. The reason the other three ratios add only a fraction to the overall fiscal score is because they represent net revenue (i.e., total revenue – total expenses) relative to total revenue or total assets and these ratios are very small. The second organization had the same amount of revenue but their expenses were \$650,000. This organization’s fiscal score would be 1.5 with the same small variation due to the contribution of its other three ratios. Finally, a third organization with the same amount of revenue expended only \$500,000. Their fiscal score would be 2.0 along with its small variation.

The proportion of public charities in our sample that fall within each of these categories is as follows: Less than 1.0 = 8%; 1.0 to 1.5 = 40%; 1.6 to 1.9 = 18%; 2.0 or above = 32%.

One should be cautious in the interpretation of this score because organizations may differ in the value they place on expenses relative to revenue. For example, one organization may view success as their ability to theoretically spend everything they receive on their mission. In contrast, another organization may have in their strategic plan a differential trajectory for spending. Nonetheless, this score offers a useful approach to examine general trends that surface when analyzing categories of organizations.

MISSION PERFORMANCE

Mission performance is a more focused assessment of the financial relationship between source of revenue (e.g., contributions) and the amount of revenue dedicated to programs. There are two main components in this performance measure. The first centers on the proportion of revenue available for programming while the second focuses on the source of that program revenue, specifically if it’s from contributions or donations relative to program payments. One can argue that the greater the proportion of revenue that is dedicated to programs the more the nonprofit organization is meeting its mission. The context of this revenue stream, however, is very important to mission. Programming revenue can be based largely on contributions (i.e., gifts, grants, and contributions) or program payments (i.e., admission fees, payments for services). Both demonstrate mission support because the greater the revenue, the more people are showing their willingness to support the nonprofit by either donating

money or making payments for services. However, contributions or donations show a very different level of support than payments because the act of giving is perceived differently than that of paying. Therefore, our index of mission performance is tied to both the relationship of contributions to the organization's overall financial health and the percentage of revenue dedicated to program services. Specifically, we combine the following three ratios together:

- 1) **Total revenue available for programs ÷ total revenue:** This ratio is calculated using a formula that subtracts management, general, and fundraising expenses from the total expenses, leaving discretionary income that is available for program services and the advancement of the organization's mission. This amount is then divided by total revenue. The closer to 1.0 the resulting score is, the more of the nonprofit's income is being used to directly support its programs.
- 2) **Total contributions ÷ total assets:** As mentioned earlier, contributions, gifts, and grants comprise only 8 percent of the sample's total revenue so the scores on this measure are relatively small. This ratio is used to examine revenue as a proportion of assets and looks specifically at contributions, gifts, and grants received. It is a variation of the financial performance measure "return on assets" used in the corporate sector. Specifically, this measure looks at the ratio of amount of contributions for every dollar of assets. Higher scores would seem to reflect higher efficiency in managing assets to generate earnings. Some nonprofits rely heavily on donations and grants for support. However, not all public charities look to contributions as a source of income. An example would be medically associated nonprofits, which rely primarily on program services payments and receive almost no income from donations and grants. In contrast, educational nonprofits, which are typically foundations, rely almost solely on contributions.
- 3) **Total contributions ÷ total revenue:** This ratio is related to the one above in that it again is concerned with total contributions received by the nonprofit. The formula provides us with total contributions as a proportion of total revenue. Using this ratio we are able to tell if this organization receives its income primarily from donations and grants or if its operating revenue is derived from payments for program services.

The resulting score, therefore, is a targeted composite of contributions a public charity receives relative to its worth or revenue and the proportion of that revenue that is dedicated to programs.

A review of the data indicates that 90 percent of the organizations in our sample dedicated at least 70 percent of their revenue to programs. This means that the variation in mission score is largely a reflection of how much contributions account for total revenue or assets. As noted earlier, a significant proportion of nonprofit organizations (e.g., medical nonprofits, long-term care nonprofits) do not receive contributions, therefore, the overall mission scores will be relatively low for these organizations. In contrast, other nonprofit organizations rely almost solely on contributions (e.g., educational nonprofits), thus their mission scores will be relatively high. A general rule in interpreting the mission score is that the higher the value of the score, the greater the organization is contribution-based relative to program service-based. We offer the following example to illustrate the interpretation of the mission

score. If an organization dedicated 70 percent of its total revenue to programs (the norm for our sample) and 10 percent of its total revenue was from contributions while 5 percent of its total assets were from contributions, then its mission score would be .85 (i.e., $.70 + .10 + .05$). This was very typical for nonprofit organizations in health care (i.e., median score of .90) and human services (i.e., median score of .95). In contrast, a similar organization that also dedicated 70 percent of its revenue to programs while 50 percent of both its total revenue and total assets were derived from contributions would have a score of 1.70 (i.e., $.70 + .50 + .50$). This was very typical of nonprofit organizations in education (i.e., median score of 1.69) or community improvement (i.e., median score of 1.46).

The distribution of mission scores for the public charities in our sample is as follows: below 1.0 = 47%; 1.0 to 1.5 = 29%; 1.6 to 1.9 = 12%; 2.0 or above = 12%.

Once again, caution should be exercised in the interpretation of this score because organizations may differ in their strategies for securing funding.

SUSTAINABILITY PERFORMANCE

Sustainability performance also is a targeted assessment of financial health. In this context, sustainability implies that the nonprofit's operational structure ensures the continued viability of the organization and the likelihood of continued success, even if any one specific funding source ends. This index centers more on diversity of funding and the breadth of the public charity's financial portfolio. We used four financial relationships to capture this measure of financial health. Specifically, we combined the following four ratios together:

1. **Total revenue ÷ by total assets:** Total revenue divided by total assets, a ratio commonly used in the corporate sector, is an indicator of how effectively an organization is using its assets to generate earnings. The higher this ratio, the more efficiently a nonprofit is perceived to be using its financial resources.
2. **Net assets ÷ by total assets:** The ratio of net assets divided by total assets provides the proportion of assets remaining after liabilities and operational expenses are accounted for. This is a measurement of net worth and acts as an important gauge in determining whether an organization is growing over time.
3. **Direct public support ÷ by total assets:** Direct public support as a proportion of total assets, previously mentioned in the mission performance section, may indicate that the public and donors are correspondingly supportive of the nonprofit organization and its mission.
4. **Total securities ÷ by total assets:** This ratio reflects the proportion of overall assets that is composed of corporate stocks, bonds, and government obligations. A nonprofit that obtains income through investments in securities rather than exclusively through program service payments or donations and grants can better endure economic hardship than a less diversified organization. This diversification contributes to overall financial health and organizational sustainability.

Together, the four ratios comprise a composite score that is a broad measure of financial diversity and should reflect sustainability. One can interpret this score as follows:

Score Value	Interpretation
Less than 1.0	Total assets exceed revenue, net worth, and public support
1.0 to 1.9	The level of revenue, net worth, and public support ranges from 100 to 199 percent of total assets
2.0 to 2.9	The level of revenue, net worth, and public support is from 200 to 299 percent of total assets
3.0 or above	The level of revenue, net worth, and public support is 300 percent or more of total assets

The proportion of public charities in our sample that fall within each of these categories is as follows: Less than 1.0 = 7%; 1.0 to 1.9 = 32%; 2.0 to 2.9 = 44%; 3.0 or above = 24%.

One should be cautious in their interpretation of this score because the strategic thinking behind an organization’s long-term growth may differ by organization.

PERFORMANCE BY TYPE OF PUBLIC CHARITY

Our approach to analyzing the financial performance of North Dakota’s top 100 public charities was to group the charities by broad characteristics. We were interested in knowing whether general patterns would emerge in the distribution of our three performance scores if we grouped the charities by a) type of public charity, b) level of assets, c) level of revenue, and d) level of expenses. The results were very insightful.

Analysis of the various performance scores by type of charitable nonprofit organization revealed important differences. The median measures of performance by type of public charity are provided in Table 3. See Appendix Table 8 for means and standard deviations.

Fiscal Performance

- The median fiscal score for all public charities is 1.53. This means that among half of the public charities, their expenses are at least 65 percent of their revenue stream.
- Health care and human services report the tightest margins between expenses and revenue with median fiscal scores of 1.17 and 1.16, respectively.
- Education and community affiliated organizations show the highest financial health with revenue streams more than twice the level of expenses as indicted by median fiscal performance scores of 2.34 and 2.23, respectively.

Mission Performance

- The median mission score for all public charities is 1.06. Although a relatively large proportion of revenue is dedicated to programs, the relatively low mission score suggests a

relatively high proportion of nonprofit organizations depends more on service payments relative to contributions (e.g., gifts or grants).

- Public charities with the smallest funding stream coming from contributions are health care and human services as indicated by their median mission scores of less than 1.00.

Sustainability Performance

- The median sustainability score for all public charities is 2.13. This means that the majority of public charities are financially secure with revenue, net worth, and public support more than twice the level of total assets.
- The two groupings of public charities with the lowest sustainability scores are a) arts, humanities, and culture and b) community improvement. Their median scores are 1.68 and 1.36, respectively.

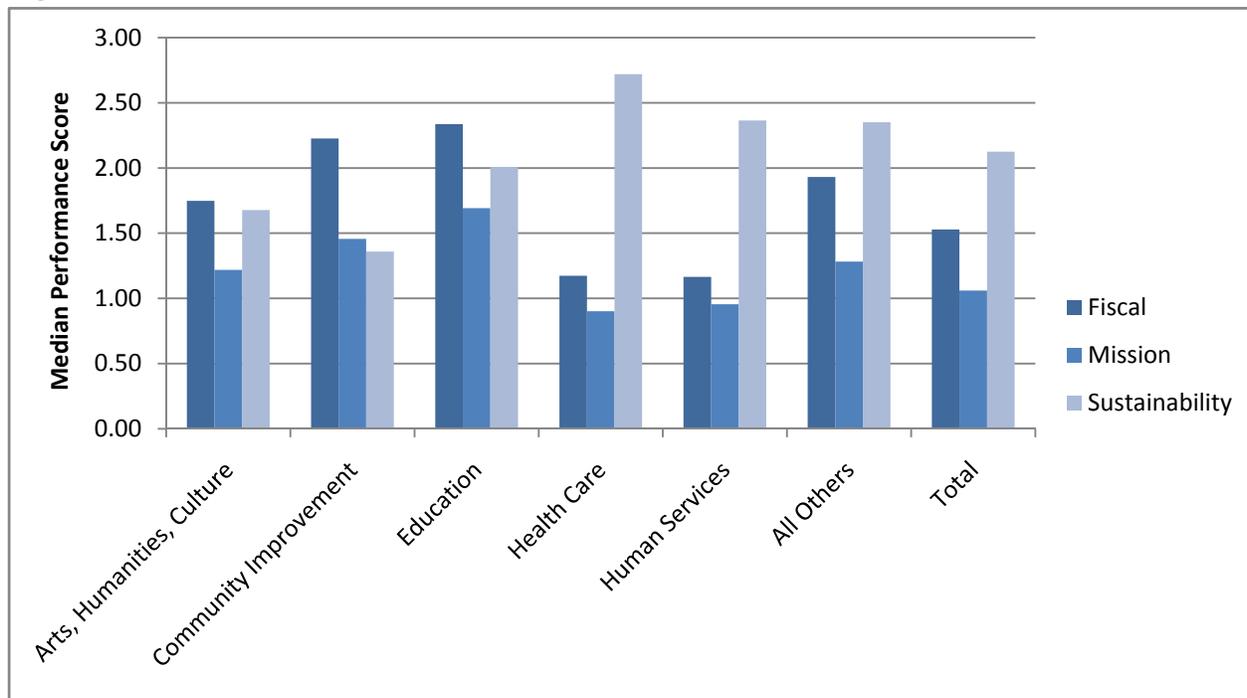
Table 3. North Dakota’s Top 100 Public Charities: Median Measures of Performance by Type of Organization

Type of Public Charity		Measure of Performance		
		Fiscal	Mission	Sustainability
Arts, Humanities, & Culture	Median	1.75	1.22	1.68
	N	6	6	6
Community Improvement	Median	2.23	1.46	1.36
	N	9	9	9
Education	Median	2.34	1.69	2.01
	N	24	24	24
Health Care	Median	1.17	0.90	2.72
	N	34	34	34
Human Services	Median	1.16	0.95	2.36
	N	21	21	21
All Others	Median	1.93	1.28	2.35
	N	6	6	6
Total	Median	1.53	1.06	2.13
	N	100	100	100

Note: Table derived from data obtained through the National Center for Charitable Statistics and the Foundation Center.

In Figure 13, we illustrate the trends in measures of performance by type of organization. See Appendix Table 8 for additional information.

Figure 13. North Dakota’s Top 100 Public Charities: Median Measures of Performance by Type of Organization



Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

PERFORMANCE BY LEVEL OF ASSETS

We next examined performance scores by level of assets. In Table 4, we provide the median measures of performance by level of assets. In Figure 14, we offer an illustration of trends in measures of performance by level of assets. See Appendix Table 9 for means and standard deviations.

Fiscal Performance

- There is very little variation in the median fiscal score among public charities by level of assets. The medians range from 1.20 for charities with the greatest amount of assets to 1.95 for charities with assets of \$6.1 to \$10.0 million.

Mission Performance

- Only modest differences are noted among mission performance scores for public charities by asset level. In general, public charities regardless of asset level received limited funding support from contributions (e.g., gifts or grants). This means that asset levels mask the differences found in mission scores by type of organization. The reason for this finding is that the distribution of nonprofits by type is relatively evenly distributed across all asset classes.

Sustainability Performance

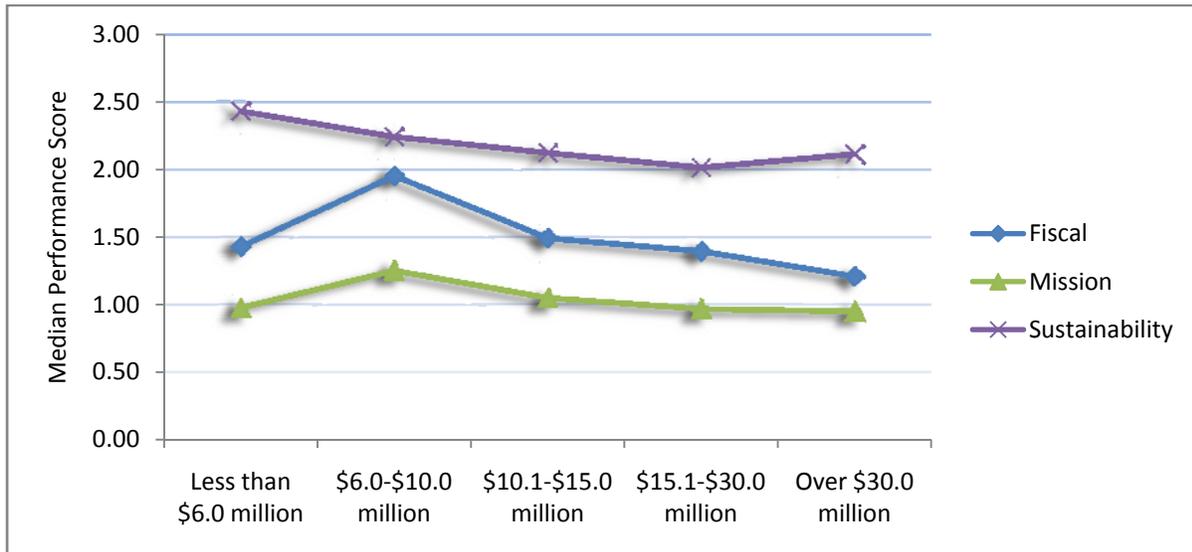
- The median sustainability scores for all public charities by asset level are very similar. Public charities, regardless of asset level, show sustainability scores above 2.00. This means that the majority of public charities are financially secure with revenue, net worth, and public support more than twice the level of total assets.

Table 4. North Dakota’s Top 100 Public Charities: Median Measures of Performance by Level of Assets

Total Assets		Measure of Performance		
		Fiscal	Mission	Sustainability
Less than \$6.0 million	Median	1.43	0.97	2.43
	N	17	17	17
\$6.0-\$10.0 million	Median	1.95	1.25	2.24
	N	29	29	29
\$10.1-\$15.0 million	Median	1.49	1.04	2.12
	N	15	15	15
\$15.1-\$30.0 million	Median	1.39	0.96	2.01
	N	20	20	20
Over \$30.0 million	Median	1.20	0.94	2.11
	N	19	19	19
Total	Median	1.53	1.06	2.13
	N	100	100	100

Note: Table derived from data obtained through the National Center for Charitable Statistics and the Foundation Center.

Figure 14. North Dakota’s Top 100 Public Charities: Median Measures of Performance by Level of Assets



Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

PERFORMANCE BY LEVEL OF REVENUE

An examination of the performance scores by level of revenue revealed a very similar picture to that of assets as illustrated in Table 5. In Figure 15 we offer an illustration of trends in measures of performance by level of revenue. However, some modest differences are worthy of note. See Appendix Table 10 for means and standard deviations.

Fiscal Performance

- The median fiscal score tends to decrease as the revenue class for public charities increases. The median score for charities with total revenue under \$1.0 million is 2.18. In contrast, those charities with revenue exceeding \$10 million have a median fiscal score of 1.16.

Mission Performance

- The median mission score for all public charities differs little by revenue. This is similar to the pattern we find when examining assets. Once again, the difference in dependence on contributions relative to service payments is masked by examining revenue because the distribution of nonprofits across different revenue categories is relatively equal.

Sustainability Performance

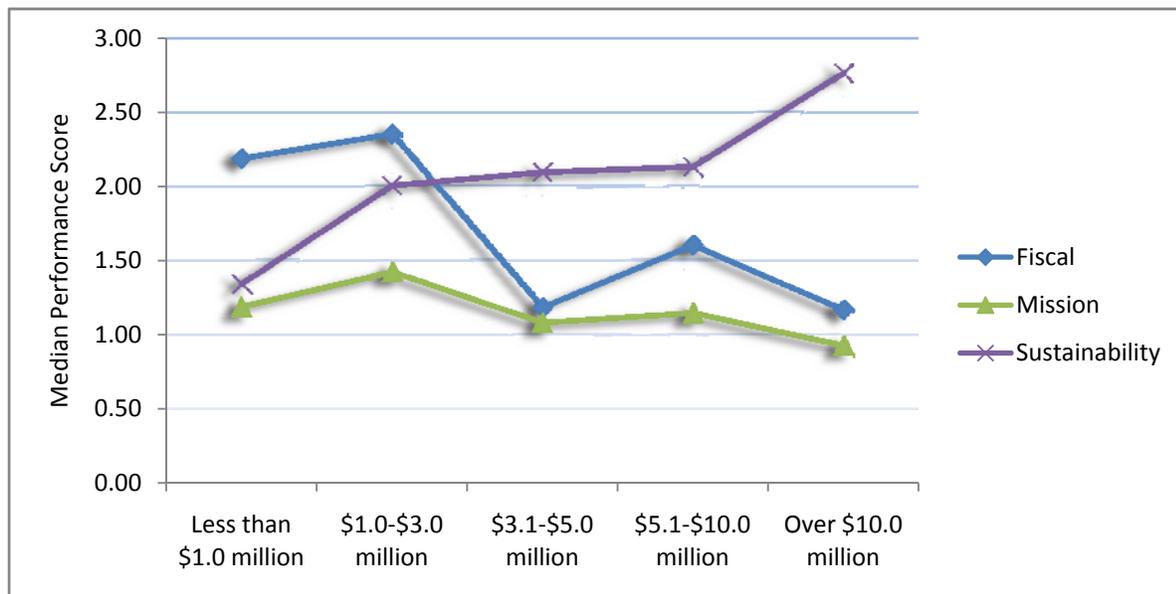
- The median sustainability score for all public charities increases with the level of revenue. Charities with total revenue under \$1 million have a median score of 1.34 while charities with revenue exceeding \$10 million have a median score of 2.76. Thus, the financial health of public charities increases with revenue.

Table 5. North Dakota’s Top 100 Public Charities: Median Measures of Performance by Level of Revenue

Total revenue		Measure of Performance		
		Fiscal	Mission	Sustainability
Less than \$1.0 million	Median	2.18	1.18	1.34
	N	8	8	8
\$1.0-\$3.0 million	Median	2.35	1.42	2.00
	N	21	21	21
\$3.1-\$5.0 million	Median	1.18	1.08	2.09
	N	11	11	11
\$5.1-\$10.0 million	Median	1.60	1.14	2.13
	N	25	25	25
Over \$10.0 million	Median	1.16	0.92	2.76
	N	35	35	35
Total	Median	1.53	1.06	2.13
	N	100	100	100

Note: Table derived from data obtained through the National Center for Charitable Statistics and the Foundation Center.

Figure 15. North Dakota's Top 100 Public Charities: Median Measures of Performance by Level of Revenue



Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

PERFORMANCE BY LEVEL OF EXPENSES

Our final evaluation of performance was by level of expenses. Interestingly, the trends in scores closely resemble those which we found for level of revenue. In Table 6, we provide the median measures of performance by level of expenses. In Figure 16, we offer an illustration of trends in measures of performance by level of expenses. See Appendix Table 11 for means and standard deviations.

Fiscal Performance

- The median fiscal score declines as the expenses class for public charities increases. The median score for charities with expenses under \$1.0 million is 2.55. In contrast, those charities with expenses exceeding \$10.0 million have a median fiscal score of 1.12.

Mission Performance

- The median mission score for all public charities differs little by expenses. However, a slight downward trend is noticeable for public charities with the least amount of expenses, demonstrating the highest level of contributions relative to service payments.

Sustainability Performance

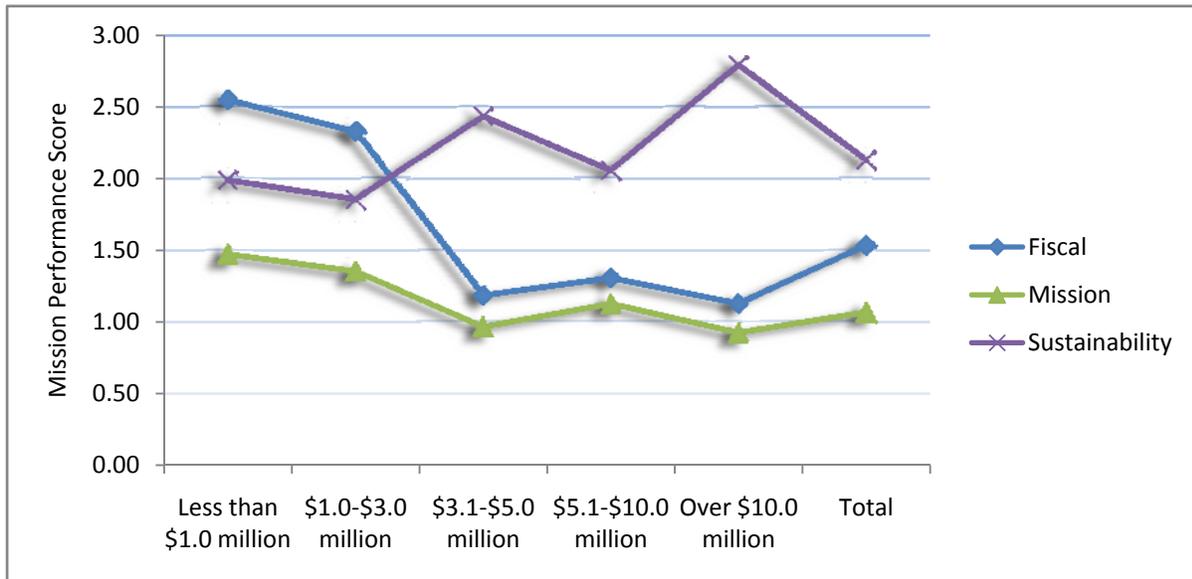
- The median sustainability score for all public charities tends to increase with the level of expenses. Charities with expenses under \$1.0 million have a median score of 1.98 while the score for charities with expenses exceeding \$10.0 million is nearly twice as high at 2.79. Thus, the financial health of public charities increases with expenses.

Table 6. North Dakota’s Top 100 Public Charities: Median Measures of Performance by Level of Expenses

Total Expenses		Measure of Performance		
		Fiscal	Mission	Sustainability
Less than \$1.0 million	Median	2.55	1.47	1.98
	N	15	15	15
\$1.0-\$3.0 million	Median	2.32	1.35	1.85
	N	21	21	21
\$3.1-\$5.0 million	Median	1.18	0.96	2.43
	N	11	11	11
\$5.1-\$10.0 million	Median	1.30	1.12	2.05
	N	19	19	19
Over \$10.0 million	Median	1.12	0.92	2.79
	N	34	34	34
Total	Median	1.53	1.06	2.13
	N	100	100	100

Note: Table derived from data obtained through the National Center for Charitable Statistics and the Foundation Center.

Figure 16. North Dakota’s Top 100 Public Charities: Median Measures of Performance by Level of Expenses



Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

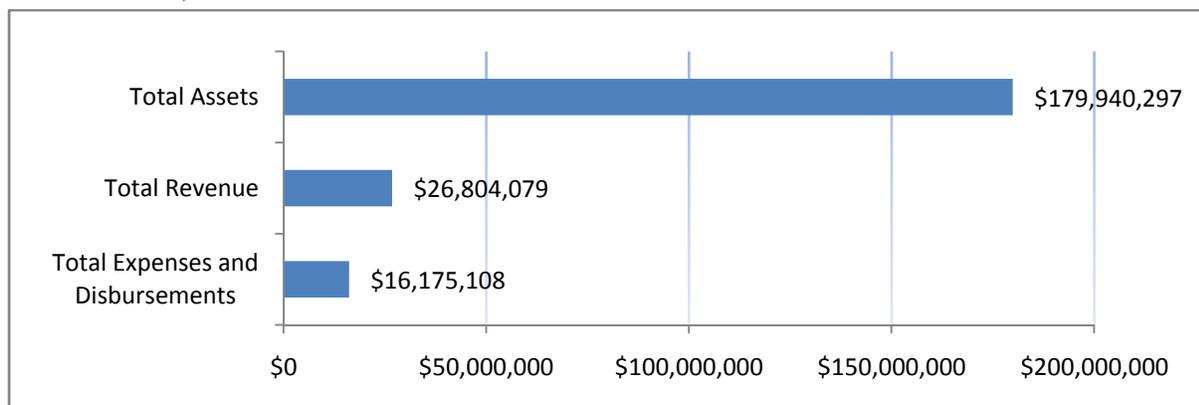
PRIVATE FOUNDATIONS IN NORTH DAKOTA

FINANCIAL CHARACTERISTICS OF NORTH DAKOTA'S TOP 66 PRIVATE FOUNDATIONS

Now we turn our attention to private foundations. As of October 2008, according to the National Center for Charitable Statistics at the Urban Institute, there were 104 private foundations in North Dakota. Similar to our efforts in investigating public charities, we relied on IRS data derived from the 2006/2007 tax forms 990-PF (Return of Private Foundation) filed by private foundations. We examined 66 private foundations in North Dakota holding assets of over \$100,000. In Figure 17, we detail the total assets, revenue, and expenses of North Dakota's top 66 private foundations. See Appendix Table 12 for additional information.

- **Assets:** Collectively, North Dakota's top 66 private foundations hold \$180 million in assets.
- **Revenue:** These foundations generate \$27 million in revenue.
- **Expenses:** The top 66 private foundations in North Dakota reported total expenses and disbursements of \$16 million.

Figure 17. North Dakota's Top 66 Private Foundations: Total Assets, Revenue, and Expenses and Disbursements, 2007



Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

A listing of the top 10 private foundations in North Dakota in 2007 by total assets, revenue, and expenses is shown in Table 7. This table again illustrates the concentration of wealth that exists in the nonprofit sector, this time in the area of private foundations. See Appendix Table 12 for additional information.

- These 10 organizations comprise 15 percent of the sample of private foundations.
- **Assets:** These 10 organizations hold 81 percent of the sample's total assets.
- **Revenue:** The top 10 private foundations in North Dakota generate 81 percent of the sample's total revenue.
- **Expenses:** These 10 organizations account for 76 percent of the sample's total expenses.

Table 7. North Dakota's Top 10 Private Foundations in Terms of Total Assets, 2007

Foundation Name	Total Assets	Total Revenue	Total Expenses & Disbursements
The Barry Foundation	\$ 48,356,968	\$ 3,913,038	\$ 3,067,379
The R. B. Nordick Foundation	\$ 31,681,027	\$ 6,950,916	\$ 1,191,688
North Dakota Natural Resources Trust Inc.	\$ 17,202,166	\$ 2,501,426	\$ 2,149,939
The Tom and Frances Leach Foundation Inc.	\$ 11,715,573	\$ 2,983,230	\$ 950,458
Alex Stern Family Foundation	\$ 9,524,021	\$ 770,249	\$ 577,886
L. W. Huncke Foundation	\$ 9,171,588	\$ 124,395	\$ 812,359
Dakota Foundation	\$ 6,474,979	\$ 776,914	\$ 364,761
The Fred & Clara Eckert Foundation for Children	\$ 4,045,949	\$ 1,027,475	\$ 947,871
John L. McCormick Memorial Trust	\$ 3,769,877	\$ 358,636	\$ 152,147
MDU Resources Foundation	\$ 3,206,290	\$ 2,283,577	\$ 2,005,003
Total	\$ 145,148,438	\$ 21,689,856	\$ 12,219,491

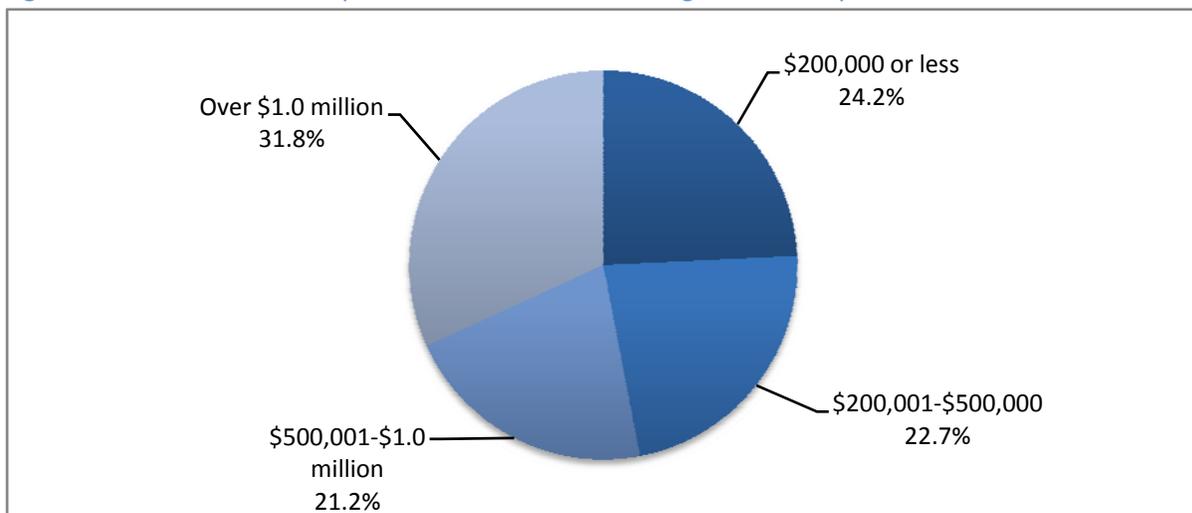
Note: Table derived from data obtained through the National Center for Charitable Statistics and the Foundation Center.

NORTH DAKOTA'S TOP 66 PRIVATE FOUNDATIONS: ASSETS

In Figure 18, we illustrate the distribution of assets among North Dakota's top 66 private foundations. See Appendix Table 13 for additional information.

- Approximately one-third of the organizations reported holding over \$1 million in assets.
- In contrast, 24 percent of the sample reported total assets of \$200,000 or less.
- 44 percent of these foundations hold from \$200,001 to \$1 million in assets.

Figure 18. North Dakota's Top 66 Private Foundations: Organizations by Level of Assets, 2007



Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

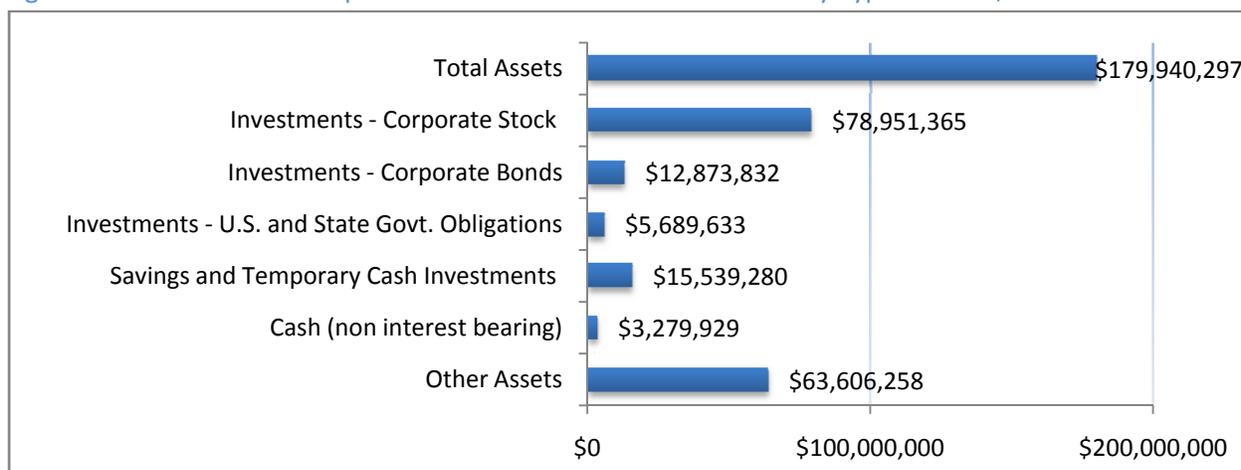
CATEGORIES OF ASSETS

Total assets include the subcategories of cash, savings, accounts and grants receivable, inventories, investments, real estate, and land, among others.

In Figure 19, we depict the types of assets held by North Dakota's top 66 private foundations. See Appendix Table 14 for additional information.

- Investments comprise the largest proportion, 54 percent, of the sample's total assets. Investments in corporate stock, corporate bonds, and U.S. and state government obligations account for \$98 million.
- An additional 10 percent of the sample's total assets are made up of cash, savings, and temporary investments.
- The remaining 35 percent of the sample's total assets is composed of various types of assets including inventories, amounts receivable, and real estate.

Figure 19. North Dakota's Top 66 Private Foundations: Total Assets by Type of Asset, 2007



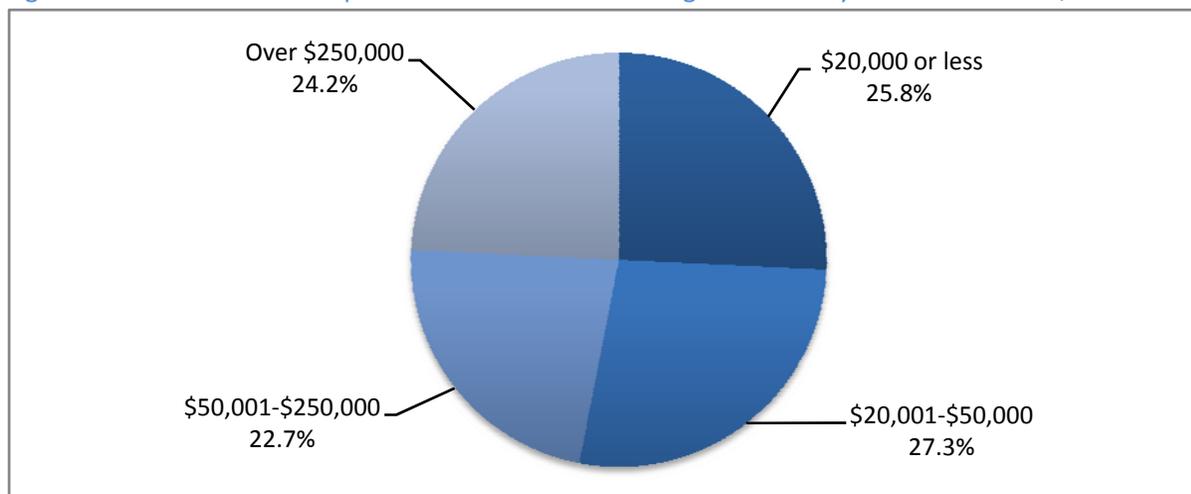
Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

NORTH DAKOTA'S TOP 66 PRIVATE FOUNDATIONS: REVENUE

Collectively, the 66 private foundations in the sample reported nearly \$27 million in revenue. The distribution of revenue among North Dakota's top 66 private foundations is presented in Figure 20. See Appendix Table 13 for additional information.

- Roughly one-quarter of the organizations in the sample reported total revenue of over \$250,000.
- Conversely, about one-quarter reported bringing in \$20,000 or less in total revenue.
- The remaining 50 percent of the foundations in the sample reported making from \$20,001 to \$250,000.

Figure 20. North Dakota's Top 66 Private Foundations: Organizations by Level of Revenue, 2007



Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

CATEGORIES OF REVENUE

The total revenue reported by a private foundation may include revenue subcategories such as contributions, gifts, grants received, distributions from trusts, interest and dividends on savings and securities, capital gains income, rent, and the sale of assets, among others. In this study, the collective sum of revenue reported in the subcategories (e.g., contributions, gifts, and grants) is larger than the sum of the total revenue reported by these 66 foundations. As noted earlier, the sample reported collective total revenue of nearly \$27 million (see Figure 17). However, when adding the various subcategories together that comprise total revenue, the sum is closer to \$37 million, or \$10 million *more* than reported.

There are several possible explanations for this inconsistency. This may be the result of tax preparers or accountants including revenue in more than one category of income, improper accounting practices, or simply a lack of understanding in Form 990-PF preparation. Nevertheless, the IRS Forms 990 and 990-PF are conceivably the most effective and comprehensive tools for measuring nonprofit performance; the data gathered from these forms provide much insight into the sector.

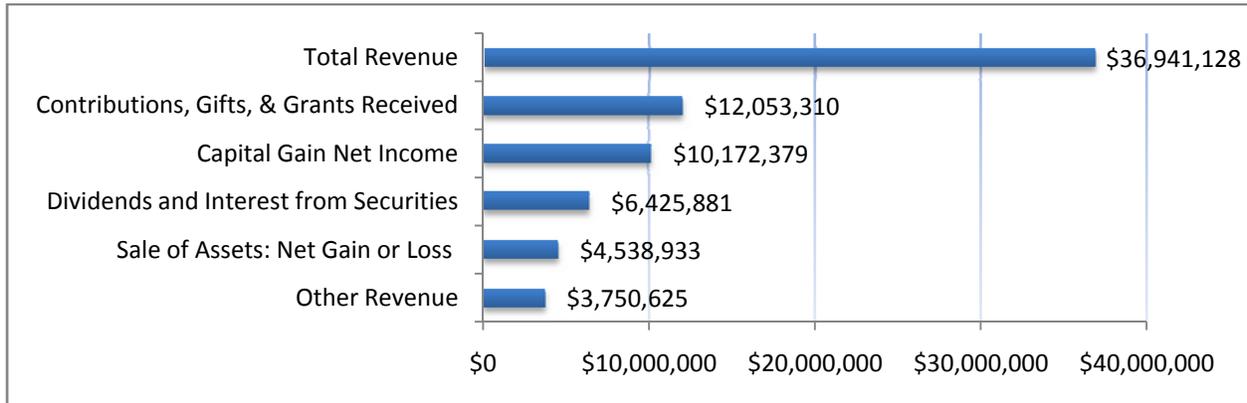
Due to the discrepancy between the computed amount of total revenue and the amount reported, the figure near \$37 million will be used in the examination of the types of total revenue among North Dakota's top 66 private foundations.

In Figure 21, we show the types of revenue generated by North Dakota's top 66 private foundations. See Appendix Table 15 for additional information.

- **Contributions, Gifts, and Grants:** The largest source of revenue is the contributions, gifts, and grants received by the foundations. This category of revenue accounts for approximately one-third of the sample's total revenue.

- **Capital Gains:** The second largest source of revenue generation for these foundations is income from capital gains. Net capital gain income accounts for nearly 28 percent of the computed total revenue, or \$2 million less than revenue received through contributions, gifts, and grants.
- **All Other Sources:** Dividends and interest from securities, the sale of assets, and other income comprise the remaining 40 percent of the total revenue.

Figure 21. North Dakota's Top 66 Private Foundations: Total Revenue by Source of Revenue, 2007



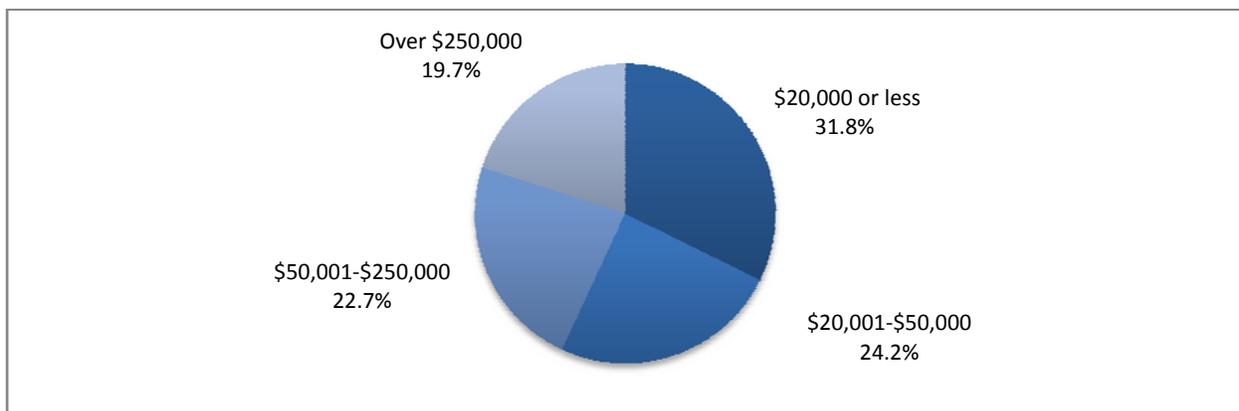
Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

NORTH DAKOTA'S TOP 66 PRIVATE FOUNDATIONS: EXPENSES AND DISBURSEMENTS

Collectively, North Dakota's top 66 private foundations reported total expenses and disbursements of \$16 million. In Figure 22, we illustrate the distribution of expenses among North Dakota's top 66 private foundations. See Appendix Table 13 for additional information.

- Approximately one-third of these organizations reported spending \$20,000 or less.
- Conversely, 20 percent of the organizations reported total expenses of over \$250,000.
- Nearly half of the foundations in the sample had total expenses from \$20,001 to \$250,000.

Figure 22. North Dakota's Top 66 Private Foundations: Organizations by Level of Expenses and Disbursements, 2007



Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

DISTRIBUTION OF FUNDS

All tax-exempt charitable organizations are required to pay out at least 5 percent of their non-charitable use assets, which may be in the form of stocks, bonds, or other investment assets. This 5 percent requirement includes both operating and administrative expenses as well as charitable contributions, gifts, and grants.

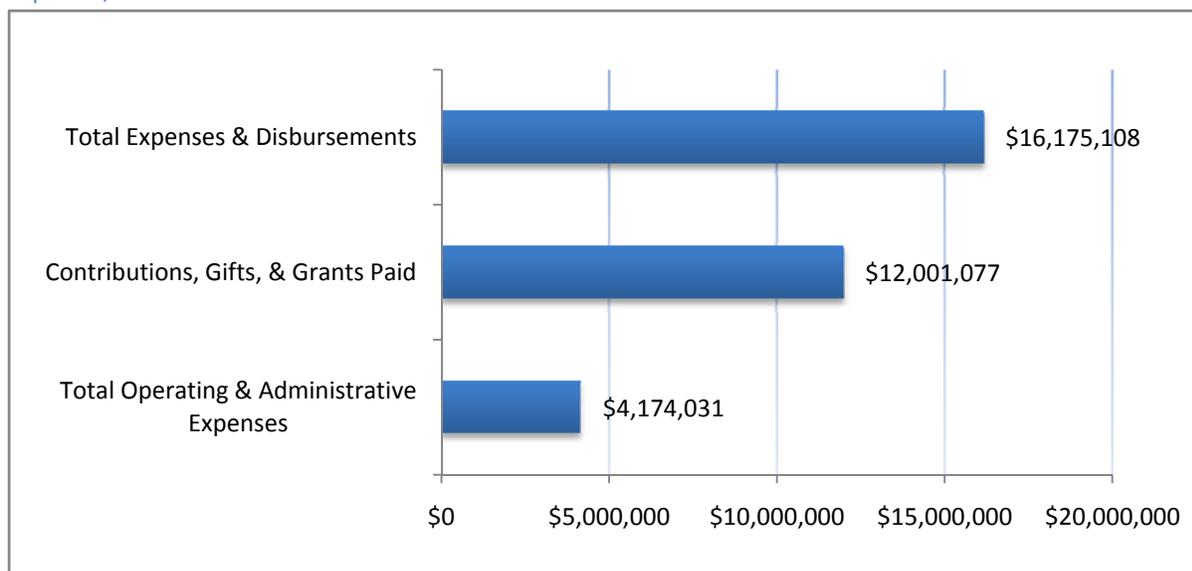
- Charitable contributions, gifts, and grants account for 74 percent of the top 66 private foundations' total expenses.
- Operating and administrative expenses account for 26 percent of North Dakota's top 66 private foundations' total expenses. These costs include the compensation of officers and directors, other employee salaries and wages, pension plans, legal fees, conferences, publications, and program-related investments among others.

In terms of payout, this sample outperforms charitable expectations. According to Bill Bradley's article, "The Nonprofit Sector's \$100 Billion Opportunity," from the Harvard Business Review, most charitable nonprofits distribute the legal minimum of 5 percent of their assets per year.

- North Dakota's top 66 private foundations reported a 9 percent payout rate, which is far above the 5 percent annual minimum.
- When disregarding operating and administrative expenses and focusing exclusively on the contributions, gifts, and grants paid out, the sample is still paying out at the rate of 6.7 percent.
- North Dakota is outperforming the national average for charitable organizational payouts.

Figure 23 details the types of expenses among North Dakota's top 66 private foundations. See Appendix Table 16 for additional information.

Figure 23. North Dakota's Top 66 Private Foundations: Total Expenses and Disbursements by Type of Expense, 2007



Note: Data obtained through the National Center for Charitable Statistics and the Foundation Center.

PRIVATE FOUNDATIONS: PERFORMANCE RESULTS

FINANCIAL PERFORMANCE

We were much more limited in our ability to evaluate performance of North Dakota's private foundations because of the limited number of foundations in the state. Moreover, the statistical approach we used to derive the best and most robust indicators of performance further limited our ability to examine different dimensions of performance. As a result, we explore only one global measure of financial performance. This measure is comprised of six ratios which we added together for an index. These ratios include:

- 1) **Total revenue ÷ total assets:** Total revenue divided by total assets, a ratio commonly used in the corporate sector, is an indicator of how effectively an organization is using its assets to generate earnings. The higher this ratio, the more efficiently a nonprofit is perceived to be using its financial resources.
- 2) **Total revenue ÷ total expenses:** This ratio gives us insight into the fiscal health of a nonprofit organization by illustrating the relationship of its income to its expenses. For example, if this ratio is less than 1.0, the organization is currently spending more money than it is bringing in. Such a score may be indicative of an organizational problem or unsustainable operational practices. Conversely, if the ratio is greater than 1.0, the nonprofit is generating more money than it is spending, which is essential to the continued growth of the organization.
- 3) **(Total revenue – total expenses) ÷ total revenue:** This ratio examines net revenue as a proportion of total revenue. Subtracting total expenses from total revenue leaves net revenue. This amount is the money available for reinvestment in the mission of the nonprofit and continued organizational development. Net revenue divided by total revenue gives us a proportion of the revenue left for reinvestment and development after liabilities and operating costs have been accounted for.
- 4) **Total contributions ÷ total expenses:** This ratio provides us with a proportion of total expenses that are offset by total contributions, (i.e., private donations and grants received). Higher scores in this dimension reflect the financial health of the organization, as it is able to counteract expenses through this source of revenue.
- 5) **Total contributions ÷ total assets:** Contributions, gifts, and grants comprise one-third of the sample's total revenue. This ratio is used to examine revenue as a proportion of assets and looks specifically at contributions, gifts, and grants received. Specifically, this measure looks at the ratio of the amount of contributions for every dollar of assets. Some foundations rely heavily on donations and grants for support. Higher scores would seem to reflect higher efficiency in managing assets to generate earnings. However, not all nonprofit organizations look to contributions as a source of income.

- 6) **Total contributions ÷ total revenue:** This ratio is related to the one above in that it again is concerned with total contributions received by the nonprofit. The formula provides us with total contributions as a proportion of total revenue. Using this ratio we are able to tell if this organization receives its income primarily from donations and grants or if its operating revenue is derived from other sources.

The resulting index can be viewed as a global measure of financial health. The reliability of this score using Cronbach’s Alpha was .60 which is not particularly strong, but does offer us a tool to examine overall financial performance. One reason for the low reliability score is the large diversity within the foundation sector in North Dakota. As noted earlier, the resources among foundations tend to cluster within the top 15 percent.

One can interpret our overall financial performance score as follows:

Score Value	Interpretation
Less than 1.0	Fragile because expenses are imbalanced relative to revenue.
1.0 to 1.9	Modest with revenue and support streams fairly balanced.
2.0 to 3.9	Healthy with revenue and support streams exceeding outlays twofold to threefold.
4.0 or above	Robust, with revenue and support streams exceeding outlays fourfold.

The proportion of public charities in our sample that fall within each of these categories is as follows: Less than 1.0 = 10%; 1.0 to 1.9 = 25%; 2.0 to 3.9 = 23%; 4.0 or above = 42%.

An examination of the financial performance of North Dakota’s private foundations by characteristic is presented in Table 8. In Figures 24-26, we offer illustrations of trends in measures of performance by level of assets, revenue, and expenses. See Appendix Table 17 for additional information.

Level of Assets

- Median measures of financial performance appear to be negatively correlated with the size of the foundation’s assets. Foundations with larger assets tend to have lower median performance scores. See Figure 24.

Level of Revenue

- Median measures of financial performance appear to be slightly correlated with the revenue generated by the foundations. Foundations with greater revenue streams tend to have higher median financial performance scores. See Figure 25.

Level of Expenses

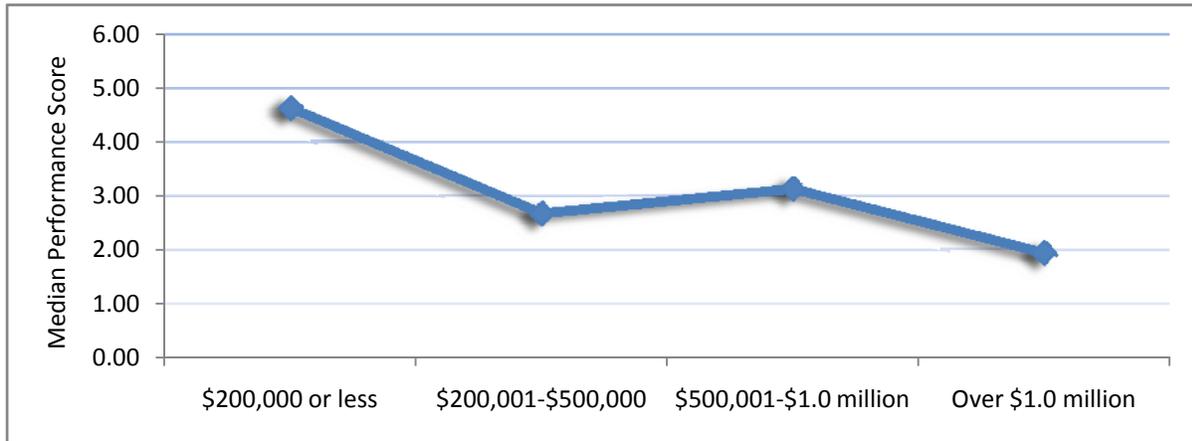
- Median measures of financial performance appear to be negatively correlated with the amount of expenses made by a foundation. As the amount of total expenses incurred and disbursements made by an organization increases, median measures of financial performance tend to decrease. See Figure 26.

Table 8. North Dakota’s Top 66 Private Foundations: Median Measures of Financial Performance by Financial Characteristics

Organizational Characteristics	Financial Performance	
	Median	N
Total Assets		
\$200,000 or less	4.62	6
\$200,001-\$500,000	2.66	8
\$500,001-\$1.0 million	3.12	6
Over \$1.0 million	1.93	11
Total	2.80	31
Total Revenue		
\$20,000 or less	3.50	6
\$20,001-\$50,000	1.77	6
\$50,001-\$250,000	5.06	8
Over \$250,000	4.38	11
Total	2.80	31
Total Expenses and Disbursements		
\$20,000 or less	4.78	9
\$20,001-\$50,000	2.80	7
\$50,001-\$250,000	0.98	6
Over \$250,000	2.48	9
Total	2.80	31

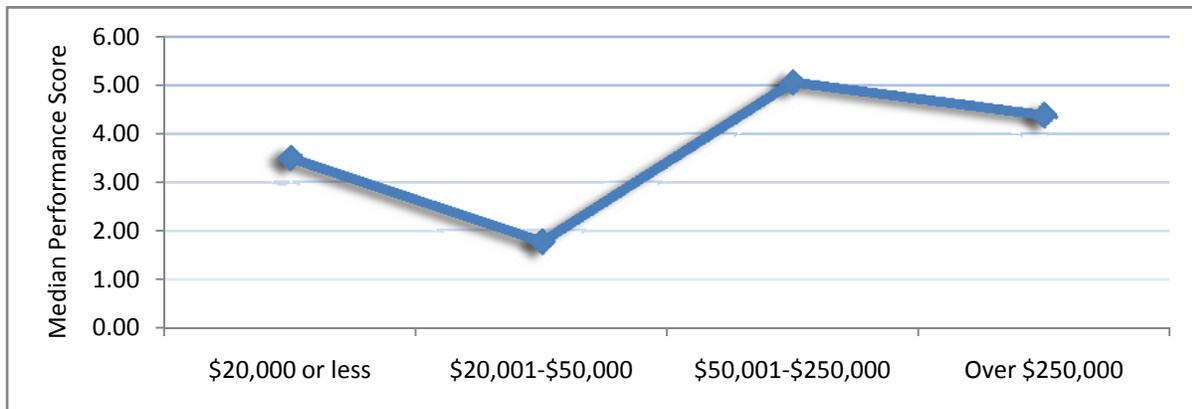
Note: Table derived from data obtained through the National Center for Charitable Statistics and the Foundation Center.

Figure 24. North Dakota's Top 66 Private Foundations: Median Measures of Financial Performance by Level of Assets



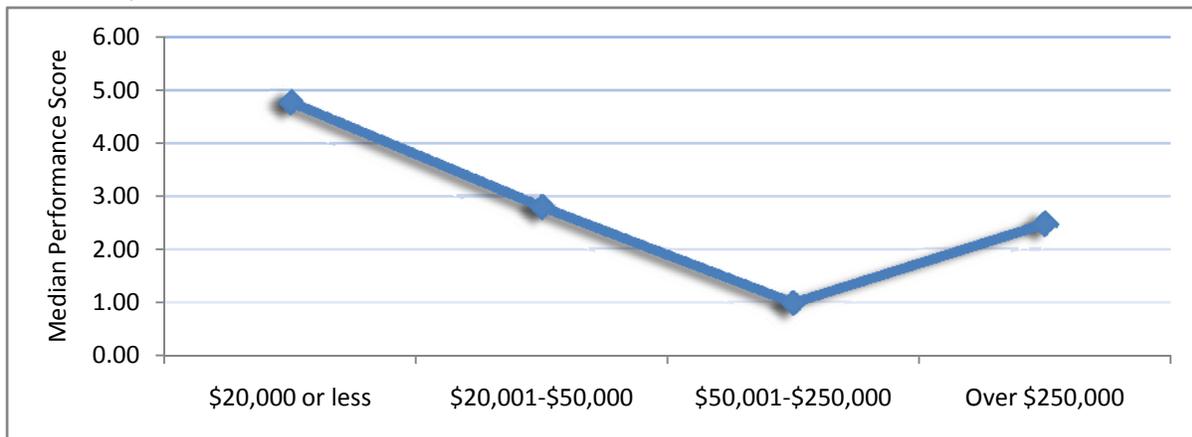
Note: Figure derived from data obtained through the National Center for Charitable Statistics and the Foundation Center.

Figure 25. North Dakota's Top 66 Private Foundations: Median Measures of Financial Performance by Level of Revenue



Note: Figure derived from data obtained through the National Center for Charitable Statistics and the Foundation Center.

Figure 26. North Dakota's Top 66 Private Foundations: Median Measures of Financial Performance by Level of Expenses and Disbursements



Note: Figure derived from data obtained through the National Center for Charitable Statistics and the Foundation Center.

SUMMARY AND RECOMMENDATIONS

SUMMARY

The charitable nonprofit sector in North Dakota is sizeable and is comprised of a diverse cross-section of organizations that greatly influence the well-being of residents in our state. The purpose of this research was to explore the performance of the nonprofit sector and to determine if the investments made by charitable nonprofit organizations are effective and efficiently delivered. We approached this task by examining the financial records of the largest 100 charitable nonprofit organizations and the largest 66 private foundations in North Dakota, based on assets. We used tax returns submitted to the Internal Revenue Service and made available through the National Center for Charitable Statistics (NCCS) at the Urban Institute (Form 990) and the Foundation Center (Form 990-PF). We modeled our efforts after William Ritchie and his colleagues who published, “Nonprofit Organization Financial Performance Measurement.” Specifically, we conducted a series of statistical tests on 16 widely used individual performance measures (i.e., ratios of financial characteristics) based on data from the IRS forms. As a result of our statistical analyses, we developed three targeted performance indices for charitable nonprofits and one index for private foundations. These indices served as objective measures of financial performance and helped guide our exploration into the effectiveness and efficiencies within the nonprofit sector in North Dakota.

A review of the financial characteristics of the charitable nonprofit sector in North Dakota, based on our sample, reveals a number of important challenges and opportunities. First, the resource base within the nonprofit sector is heavily concentrated within the top tier of charitable organizations. The NCCS provided 2007 data for 650 public charities in North Dakota representing an estimated \$3.9 billion in assets. The top 100, which was our study sample, held 84 percent of total public charity assets within the state. Moreover, within our sample, the top 10 public charities accounted for 59 percent of total assets, 66 percent of total revenue, and 67 percent of total expenses. This concentration of resources is largely centered within health care. Again, within our sample, public charities representing health care accounted for 61 percent of total assets, 77 percent of total revenue, and 80 percent of expenses.

Second, revenue streams among public charities are equally highly concentrated. Nearly 86 percent of total revenue within our sample was received as payment for program services such as admissions to museums, tuition received by schools, government fees or contracts, and payment to hospitals for medical services. In contrast, less than 5 percent of revenue was generated from public support (i.e., private contributions or government grants).

Third, the distribution of contributions is heavily concentrated within education. More than 70 percent of the private contributions in our sample were donated to educational institutions. Contributions to health care and human services organizations combined comprised only 15 percent of private donations within our sample.

Fourth, management and general expense fees comprise the second largest expense category among public charities and accounts for nearly 12 percent of total expenses within our sample. This category of expenses includes organizational operations such as accounting, legal, and administrative services.

Our examination of the financial performance among North Dakota's top public charities was divided into three main categories. First, we explored the fiscal health of our sample of public charities. The index measure we used combined the following four ratios together: 1) total revenue ÷ total expenses, 2) (total revenue – total expenses) ÷ total revenue, 3) (total revenue – total expenses) ÷ total assets, and 4) total contributions ÷ total expenses. One can interpret this score as a broad composite of a public charity's expenses relative to their worth or their revenue. Using this measure, we found that 48 percent of public charities in our sample are financially weak (i.e., median scores of 1.5 or below) relative to 32 percent that have very robust scores (i.e., median scores of 2.0 or above). Moreover, public charities in health care and human services, two of the largest types, have the lowest scores. This also was apparent in the negative relationship between fiscal scores and revenue or expenses. Those charities with revenue and expenses above \$10 million had the lowest fiscal scores; most of these charities were in health care.

We labeled our second measure mission performance and this measure was composed of three ratios, which, when combined, offer a composite of contributions a public charity receives relative to its worth or its revenue and the proportion of revenue dedicated to programs. These ratios were: 1) program revenue ÷ total revenue, 2) total contributions ÷ total assets, and 3) total contributions ÷ total revenue. We believe this score represents an objective measure of public support for the charity and an indication of how reliant the nonprofit organization is on contributions relative to service payments. Both contributions and payments demonstrate mission support; each of these forms of revenue involve individuals willingly demonstrating their support for the nonprofit by either donating money or making payments for services. What was surprising to us is that even though a significant amount of revenue was dedicated to programs, a large proportion of nonprofit organizations rely heavily on service payments relative to contributions, as indicated by a lower median mission score of 1.06. However, the major exceptions were nonprofits in the fields of education or community improvement.

Our final measure of financial performance was sustainability. It is an assessment of financial health based on the diversity of funding and the breadth of the public charity's financial portfolio. The ratios we used were: 1) total revenue ÷ total assets, 2) net assets ÷ total assets, 3) direct public support ÷ total assets, and 4) total securities ÷ total assets. We believe these four ratios combined comprise a composite score that reflects the long-term financial health of a charity. In general, our findings indicate that there is a high degree of sustainability among public charities in North Dakota, regardless of the type of charity. However, sustainability seems to be positively related to revenue and expenses. Those charities with the largest revenue or expenses stream had the highest sustainability scores.

Our analysis of the state's private foundations was limited due to a relatively small sample. We found a similar resource concentration with 81 percent of total foundation holdings in our sample accounted for by the top 10 foundations. In addition, these 10 foundations had 81 percent of the revenue and 76 percent of foundation spending. In contrast to public charities, the majority of assets within private

foundations are from securities (i.e., corporate stocks, bonds, and government obligations). In addition, nearly one-third of the revenue generated by foundations was from contributions, something very different from public charities. What is problematic in economic hard times is the fact that foundations rely heavily on revenue from capital gains. Capital gains were the second leading source of revenue in our sample of 66 foundations in North Dakota. Finally, we found that 74 percent of foundation expenses were for charitable contributions, gifts, and grants. Nonetheless, operating and administrative expenses still accounted for 26 percent of our sample's foundation expenses.

We were limited to analyzing only one financial performance measure due to the small sample size. This measure was composed of the following six ratios: 1) total revenue ÷ total assets, 2) total revenue ÷ total expenses, 3) (total revenue – total expenses) ÷ total revenue, 4) total contributions ÷ total expenses, 5) total contributions ÷ total assets, and 6) total contributions ÷ total revenue. We viewed this index as a global measure of financial health. We found that financial performance appears to be negatively correlated with the size of the foundation's assets. Foundations with larger assets tend to have lower median performance scores. Financial performance appears to be slightly correlated with the revenue generated by the foundations, but negatively correlated with expenses. Foundations with greater revenue streams but fewer expenses tend to have higher median financial performance scores.

RECOMMENDATIONS

The findings from our analysis illustrate some of the challenges that face the nonprofit sector in North Dakota. We view these challenges as opportunities for change. Therefore, we offer the following recommendations for consideration.

1. The concentration of resources among both public charities and private foundations indicates the need for leveraging of resources and experience between organizations and sectors. Efforts should be made to develop a dialogue among nonprofit organizations. More importantly, a formal collaborative structure should be considered that allows charities and foundations to work collectively in order to improve visibility and efficiencies.
2. A research effort should be undertaken to examine if the relationship between contributions to revenue stream (i.e., what we measured as mission score) has a consequence on efficiencies within public charities. We know that public charities uniformly contribute a high proportion of their revenue to programs, however, we are uncertain of the consequences of payment vs. donation driven revenue on the organization (i.e., strategic thinking, marketing, and organizational structure). This issue underscores the inability of researchers to understand or effectively measure public support or organizational efficiencies solely through financial records. Rather, inquiries need to be made within the charities to examine how contributions impact management and marketing strategies. This evidence may offer useful insights into ways charities can improve efficiencies or performance. Similarly, interviews with staff and management within the nonprofit sector may uncover barriers to efficiencies, organizational challenges, or other insights that could improve performance.

3. Support systems need to be considered to offer technical assistance to nonprofit organizations that are struggling, especially those with low fiscal performance scores. This effort could be dovetailed with the leveraging suggestion offered in the first recommendation.
4. Finally, thought should be given to ways in which objective data regarding nonprofit performance can be triangulated. Alternative sources of information need to be explored that may offer unique insights that are missed with other data sources such as financial records.

APPENDIX TABLES

Appendix Table 1. North Dakota's Top 100 Public Charities: Total Assets, Revenue, and Expenses, 2007

Charity Name	Total Assets	Total Revenue	Total Expenses
MeritCare Hospital	\$438,414,098	\$358,772,213	\$333,818,460
Altru Health System	\$329,390,496	\$341,862,777	\$331,375,126
Trinity Health and Affiliates	\$268,452,303	\$173,120,956	\$162,501,601
University of North Dakota Foundation	\$161,919,790	\$24,502,227	\$9,151,649
St. Alexius Medical Center	\$160,881,856	\$182,476,738	\$178,993,144
Trinity Health	\$150,262,219	\$55,840,166	\$61,594,363
MeritCare Medical Group	\$124,266,124	\$320,153,844	\$335,601,340
North Dakota State University Development Foundation	\$120,663,906	\$20,694,872	\$9,950,144
University of North Dakota Sports Facilities Inc.	\$92,483,294	\$6,683,342	\$11,411,680
Dakota Medical Charities	\$80,059,696	\$5,826,790	\$3,940,516
University of Mary	\$79,749,786	\$36,515,901	\$30,128,834
Jamestown College Inc.	\$61,422,762	\$21,191,319	\$16,949,152
MeritCare Health System	\$57,791,365	\$93,909,624	\$92,594,330
Fargo-Moorhead Area Foundation	\$43,229,588	\$5,654,627	\$2,062,952
Mercy Medical Center	\$35,170,613	\$37,900,738	\$37,206,275
Mercy Hospital of Devils Lake	\$35,145,315	\$17,681,068	\$14,578,579
Sisters of Mary of the Presentation Long Term Care	\$34,909,558	\$37,266,127	\$35,324,930
Dakota Medical Foundation	\$30,808,336	\$3,178,000	\$1,261,976
Dakota Boys Ranch Foundation	\$30,394,031	\$9,311,480	\$7,773,264
NDSU Research & Technology Park Inc.	\$29,042,898	\$3,133,986	\$2,406,740
Turtle Mountain Community College Inc.	\$29,009,987	\$13,426,578	\$11,914,737
Dakota Boys Ranch Association	\$28,693,181	\$12,836,688	\$12,819,366
Anne Carlsen Center for Children Foundation	\$27,052,597	\$3,458,350	\$2,309,333
Lutheran Charity Association DBA Jamestown Hospital	\$25,687,736	\$20,866,712	\$20,204,217
Sisters of Mary of the Presentation Health Corporation	\$25,004,374	\$4,069,381	\$4,022,247
United Tribes Technical College	\$24,315,398	\$23,936,482	\$24,915,827
St. Joseph's Hospital and Health Center	\$23,883,843	\$34,397,888	\$38,659,201
Bismarck State College Foundation	\$23,569,836	\$6,407,549	\$1,038,211
NRI Medical Research Foundation	\$22,865,310	\$1,352,738	\$1,066,382
American Lutheran Homes Inc.	\$22,678,633	\$14,995,505	\$14,569,026
4000 Valley Square Inc.	\$21,907,076	\$11,044,728	\$11,713,128
Ojibwa Indian School Inc.	\$20,729,048	\$8,671,081	\$3,993,096
Theodore Roosevelt Medora Foundation	\$20,157,170	\$8,900,054	\$7,596,853

Charity Name	Total Assets	Total Revenue	Total Expenses
Mercy Hospital of Valley City	\$19,219,721	\$11,250,299	\$10,102,991
Prairie Public Broadcasting Inc.	\$18,928,779	\$8,127,550	\$6,744,505
Sitting Bull College	\$18,277,673	\$9,516,240	\$7,981,200
Valley Homes and Services	\$17,089,240	\$12,123,522	\$11,983,054
West River Health Services DBA West River Regional Medical Center	\$15,892,110	\$20,304,987	\$19,098,302
Good Samaritan Hospital Association DBA Heart of America Medical Center	\$15,406,117	\$14,505,962	\$15,117,614
Medcenter One Living Centers	\$14,690,406	\$19,925,819	\$18,586,290
Medcenter One Health Systems	\$12,616,841	\$2,865,124	\$1,976,466
Southwest Healthcare Corporation	\$12,498,855	\$8,507,904	\$8,298,263
UND Aerospace Foundation	\$12,267,734	\$6,451,563	\$6,387,860
Minot State University Development Foundation	\$12,181,879	\$1,612,716	\$672,212
Fargo-Moorhead Family YMCA	\$12,141,962	\$9,086,034	\$8,558,193
Altru Health Resources	\$11,859,841	\$11,209,904	\$10,984,499
Dickinson State University Foundation	\$11,820,473	\$2,548,254	\$1,867,753
Missouri Slope Lutheran Care Center	\$11,527,175	\$15,754,989	\$15,683,343
Altru Health Foundation	\$11,086,657	\$2,224,896	\$1,558,676
North Dakota Association for the Disabled	\$10,907,132	\$2,913,692	\$2,434,028
Delta Waterfowl Foundation	\$10,662,636	\$5,391,487	\$4,899,779
Villa Nazareth	\$10,186,842	\$13,858,756	\$13,314,759
Williston State College Foundation	\$10,041,259	\$1,595,052	\$1,066,910
P R Health Corporation DBA First Care Health Center	\$10,022,596	\$6,586,409	\$5,792,569
NDSCS Foundation	\$9,606,622	\$1,629,973	\$986,699
Circle of Nations School Inc.	\$9,142,260	\$9,742,465	\$7,641,611
Minot Vocational Adjustment Workshop	\$9,065,061	\$11,463,528	\$10,815,512
Minot YMCA	\$8,864,653	\$2,907,083	\$1,778,185
MeritCare Foundation	\$8,716,656	\$2,426,023	\$1,938,978
Plains Art Museum	\$8,587,332	\$1,038,776	\$1,781,225
Pia Tegler Benedictine Foundation	\$8,283,873	\$2,103,148	\$147,888
West River Health Services Foundation	\$8,248,268	\$319,064	\$265,393
Trinity Bible College Inc.	\$8,128,952	\$5,283,381	\$5,091,433
Northern Lights Council of the Boy Scouts of America	\$8,112,088	\$3,129,831	\$2,336,805
Oakes Community Hospital	\$8,047,445	\$7,455,871	\$7,439,227
St. Aloisius Hospital Inc. Medical Center	\$8,039,545	\$10,623,614	\$10,616,913
St. Joseph's Foundation	\$7,970,989	\$667,766	\$374,125
Center for Innovation and Business Development Foundation	\$7,941,333	\$707,568	\$589,539
Lutheran Social Services of ND	\$7,924,293	\$8,431,097	\$8,263,875

Charity Name	Total Assets	Total Revenue	Total Expenses
Growth Initiative Fund Inc.	\$7,892,171	\$545,063	\$357,161
Carrington Health Center	\$7,676,337	\$10,855,207	\$10,254,948
Northwood Deaconess Health Center	\$7,369,347	\$8,511,517	\$8,061,076
Anne Carlsen Center for Children	\$7,232,744	\$12,649,889	\$12,160,602
Children's Village Foundation	\$7,080,611	\$597,826	\$373,265
Oak Grove Lutheran High School Foundation	\$6,758,954	\$1,639,648	\$330,297
Standing Rock Community Grant School	\$6,743,092	\$11,262,076	\$12,075,472
Hospice of the Red River Valley	\$6,721,681	\$16,970,455	\$16,643,467
Lake Agassiz Regional Development Corporation	\$6,704,498	\$944,074	\$710,568
Grand Forks Homes Inc.	\$6,602,368	\$2,824,241	\$1,644,158
McKenzie County Healthcare Systems Inc.	\$6,541,519	\$7,110,951	\$7,464,048
Community Extended Nuclear Transitional Residence for Ex-offenders, CENTRE	\$6,516,934	\$5,351,993	\$4,469,791
Cavalier County Memorial Hospital Association	\$6,291,273	\$6,660,589	\$6,290,969
Griggs-Steel Empowerment Zone Inc.	\$6,264,673	\$2,527,232	\$1,488,678
Dakota Certified Development Corporation	\$5,989,650	\$1,282,780	\$962,225
Trinity Christian School	\$5,965,160	\$1,084,826	\$1,053,690
YWCA Cass Clay	\$5,932,068	\$1,856,741	\$1,918,041
Shiloh Christian School	\$5,831,243	\$2,433,576	\$1,837,787
Cankdeska Cikana Community College	\$5,827,602	\$5,376,885	\$4,067,391
Valley City State University Foundation	\$5,635,963	\$1,914,697	\$887,869
Mountrail Bethel Home Inc.	\$5,422,353	\$3,441,481	\$3,456,414
Future Builders in Support of Trollwood Performing Arts School	\$5,417,130	\$4,748,231	\$887,619
NDSU Research Foundation	\$5,396,004	\$2,027,276	\$1,691,676
North Dakota Cowboy Hall of Fame Inc.	\$5,216,121	\$624,306	\$633,003
Lutheran Sunset Home	\$5,058,954	\$6,031,188	\$5,816,830
Garrison Memorial Hospital	\$4,944,710	\$7,963,333	\$8,026,179
Bismarck Cancer Center	\$4,788,646	\$4,525,893	\$4,257,041
Beulah Community Nursing Home DBA Knife River Care Center	\$4,556,652	\$4,833,713	\$4,704,142
Hillsboro Medical Center	\$3,560,270	\$4,946,035	\$4,724,339
Marillac Manor	\$3,106,679	\$820,755	\$687,632
Luther Memorial Home	\$2,535,700	\$3,804,869	\$3,823,430
Total	\$3,267,598,628	\$2,320,498,222	\$2,198,383,161

Appendix Table 2. North Dakota's Top 100 Public Charities: Total Assets, Revenue, and Expenses by Type of Organization, 2007

Type of Public Charity	Number of Organizations (N)	Total Assets	
		Amount	Percent
Arts, Humanities, & Culture	6	\$68,329,128	2.1%
Community Improvement	9	\$104,960,596	3.2%
Education	24	\$751,157,734	23.0%
Health Care	34	\$2,008,542,081	61.5%
Human Services	21	\$266,594,656	8.2%
All Others	6	\$68,014,433	2.1%
Total	100	\$3,267,598,628	100.0%
Type of Public Charity	Number of Organizations (N)	Total Revenue	
		Amount	Percent
Arts, Humanities, & Culture	6	\$30,025,326	1.3%
Community Improvement	9	\$25,511,202	1.1%
Education	24	\$235,584,231	10.2%
Health Care	34	\$1,789,291,405	77.1%
Human Services	21	\$218,948,337	9.4%
All Others	6	\$21,137,721	0.9%
Total	100	\$2,320,498,222	100.0%
Type of Public Charity	Number of Organizations (N)	Total Expenses	
		Amount	Percent
Arts, Humanities, & Culture	6	\$23,435,774	1.1%
Community Improvement	9	\$18,425,542	0.8%
Education	24	\$182,217,026	8.3%
Health Care	34	\$1,748,516,061	79.5%
Human Services	21	\$209,836,079	9.5%
All Others	6	\$15,952,679	0.7%
Total	100	\$2,198,383,161	100.0%

Appendix Table 3. North Dakota's Top 100 Public Charities: Organizations by Type and Level of Assets, Revenue, Expenses, 2007

Type of Public Charity	Total Assets											
	Less than \$6.0 million		\$6.0-\$10.0 million		\$10.1-\$15.0 million		\$15.1-30.0 million		Over \$30.0 million		Total	
	N	%	N	%	N	%	N	%	N	%	N	%
Arts, Humanities, & Culture	2	11.8%	1	3.4%	1	6.7%	2	10.0%	0	0.0%	6	6.0%
Community Improvement	2	11.8%	5	17.2%	1	6.7%	0	0.0%	1	5.3%	9	9.0%
Education	4	23.5%	6	20.7%	4	26.7%	5	25.0%	5	26.3%	24	24.0%
Health Care	3	17.6%	8	27.6%	4	26.7%	8	40.0%	11	57.9%	34	34.0%
Human Services	5	29.4%	6	20.7%	4	26.7%	4	20.0%	2	10.5%	21	21.0%
All Others	1	5.9%	3	10.3%	1	6.7%	1	5.0%	0	0.0%	6	6.0%
Total	17	100.0%	29	100.0%	15	100.0%	20	100.0%	19	100.0%	100	100.0%
Type of Public Charity	Total Revenue											
	Less than \$1.0 million		\$1.0-\$3.0 million		\$3.1-\$5.0 million		\$5.1-10.0 million		Over \$10.0 million		Total	
	N	%	N	%	N	%	N	%	N	%	N	%
Arts, Humanities, & Culture	1	12.5%	1	4.8%	1	9.1%	3	12.0%	0	0.0%	6	6.0%
Community Improvement	3	37.5%	4	19.0%	0	0.0%	2	8.0%	0	0.0%	9	9.0%
Education	0	0.0%	8	38.1%	0	0.0%	8	32.0%	8	22.9%	24	24.0%
Health Care	2	25.0%	4	19.0%	5	45.5%	6	24.0%	17	48.6%	34	34.0%
Human Services	2	25.0%	2	9.5%	3	27.3%	4	16.0%	10	28.6%	21	21.0%
All Others	0	0.0%	2	9.5%	2	18.2%	2	8.0%	0	0.0%	6	6.0%
Total	8	100.0%	21	100.0%	11	100.0%	25	100.0%	35	100.0%	100	100.0%
Type of Public Charity	Total Expenses											
	Less than \$1.0 million		\$1.0-\$3.0 million		\$3.1-\$5.0 million		\$5.1-\$10.0 million		Over \$10.0 million		Total	
	N	%	N	%	N	%	N	%	N	%	N	%
Arts, Humanities, & Culture	2	13.3%	1	4.8%	0	0.0%	3	15.8%	0	0.0%	6	6.0%
Community Improvement	4	26.7%	4	19.0%	0	0.0%	1	5.3%	0	0.0%	9	9.0%
Education	4	26.7%	5	23.8%	2	18.2%	6	31.6%	7	20.6%	24	24.0%
Health Care	2	13.3%	6	28.6%	4	36.4%	5	26.3%	17	50.0%	34	34.0%
Human Services	2	13.3%	2	9.5%	3	27.3%	4	21.1%	10	29.4%	21	21.0%
All Others	1	6.7%	3	14.3%	2	18.2%	0	0.0%	0	0.0%	6	6.0%
Total	15	100.0%	21	100.0%	11	100.0%	19	100.0%	34	100.0%	100	100.0%

Appendix Table 4. North Dakota's Top 100 Public Charities: Total Revenue by Source of Revenue, 2007

Source of Revenue	Total Revenue	
	Amount	Percent
Contributions	\$99,478,379	4.3%
• <i>Direct public support</i>	\$92,839,777	4.0%
• <i>Indirect public support</i>	\$6,638,602	0.3%
Government Grants	\$99,520,202	4.3%
Program Service Revenue	\$1,989,456,192	85.7%
Investment Income	\$71,227,490	3.1%
• <i>Interest on savings and temporary cash investments</i>	\$21,970,386	0.9%
• <i>Dividends and interest from securities</i>	\$21,898,710	0.9%
• <i>Sales of Assets: Net gain or loss</i>	\$27,358,394	1.2%
All Other Revenue	\$60,815,959	2.6%
• <i>Sales of Inventory: Gross profit or loss</i>	\$4,321,071	0.2%
• <i>Net rental income</i>	\$6,328,519	0.3%
• <i>Other revenue</i>	\$50,166,369	2.2%
Total	\$2,320,498,222	100.0%

Appendix Table 5. North Dakota's Top 100 Public Charities: Program Service Revenue by Type of Organization, 2007

Type of Nonprofit Organization	Program Service Revenue	
	Amount	Percent
Arts, Humanities, & Culture	\$16,466,685	0.8%
Community Improvement	\$6,718,465	0.3%
Education	\$61,959,381	3.1%
Health Care	\$1,714,520,631	86.2%
Human Services	\$182,668,865	9.2%
All Others	\$7,122,165	0.4%
Total	\$1,989,456,192	100.0%

Appendix Table 6. North Dakota's Top 100 Public Charities: Total Contributions, Gifts, and Grants Received by Type of Organization, 2007

Type of Nonprofit Organization	Total Contributions, Gifts, & Grants	
	Amount	Percent
Arts, Humanities, & Culture	\$11,292,698	5.7%
Community Improvement	\$9,207,354	4.6%
Education	\$139,470,142	70.1%
Health Care	\$14,413,440	7.2%
Human Services	\$15,479,334	7.8%
All Others	\$9,135,613	4.6%
Total	\$198,998,581	100.0%

Appendix Table 7. North Dakota's Top 100 Public Charities: Total Expenses by Type of Organization, 2007

Type of Public Charity	Total Expenses	
	Amount	Percent
<i>Arts, Humanities, & Culture</i>		
• Program Services	\$18,900,481	1.0%
• Management & General	\$3,314,146	1.2%
• Fundraising	\$1,221,147	10.2%
• Payments to Affiliates	--	0.0%
Total	\$23,435,774	1.1%
<i>Community Improvement</i>		
• Program Services	\$15,187,723	0.8%
• Management & General	\$ 2,690,308	1.0%
• Fundraising	\$456,530	3.8%
• Payments to Affiliates	\$90,981	4.7%
Total	\$18,425,542	0.8%
<i>Education</i>		
• Program Services	\$140,243,642	7.3%
• Management & General	\$36,443,558	13.4%
• Fundraising	\$5,529,826	46.1%
• Payments to Affiliates	--	0.0%
Total	\$182,217,026	8.3%
<i>Health Care</i>		
• Program Services	\$1,536,214,558	80.3%
• Management & General	\$208,416,603	76.5%
• Fundraising	\$2,236,890	18.6%
• Payments to Affiliates	\$1,648,010	85.1%
Total	\$1,748,516,061	79.5%
<i>Human Services</i>		
• Program Services	\$187,600,129	9.8%
• Management & General	\$20,964,844	7.7%
• Fundraising	\$1,103,368	9.2%
• Payments to Affiliates	\$167,738	8.7%
Total	\$209,836,079	9.5%
<i>All Others</i>		
• Program Services	\$13,895,327	0.7%
• Management & General	\$572,921	0.2%
• Fundraising	\$1,454,241	12.1%
• Payments to Affiliates	\$30,190	1.6%
Total	\$15,952,679	0.7%
<i>Totals</i>		
• Program Services	\$1,912,041,860	100.0%
• Management & General	\$272,402,380	100.0%
• Fundraising	\$12,002,002	100.0%
• Payments to Affiliates	\$1,936,919	100.0%
Total Expenses	\$2,198,383,161	100.0%

Appendix Table 8. North Dakota's Top 100 Public Charities: Measures of Performance by Type of Organization

Type of Public Charity		Measure of Performance		
		Fiscal	Mission	Sustainability
Arts, Humanities, & Culture	Median	1.75	1.22	1.68
	Mean	3.23	1.59	1.66
	Std. Deviation	4.33	0.73	0.62
	N	6	6	6
Community Improvement	Median	2.23	1.46	1.36
	Mean	2.54	1.48	1.46
	Std. Deviation	1.10	0.39	0.51
	N	9	9	9
Education	Median	2.34	1.69	2.01
	Mean	3.29	1.77	2.10
	Std. Deviation	2.89	0.64	0.74
	N	24	24	24
Health Care	Median	1.17	0.90	2.72
	Mean	1.42	0.97	2.67
	Std. Deviation	0.74	0.23	0.95
	N	34	34	34
Human Services	Median	1.16	0.95	2.36
	Mean	1.33	1.07	2.58
	Std. Deviation	0.47	0.37	1.23
	N	21	21	21
All Others	Median	1.93	1.28	2.35
	Mean	5.96	1.48	1.97
	Std. Deviation	10.06	0.47	0.85
	N	6	6	6
Total	Median	1.53	1.06	2.13
	Mean	2.33	1.30	2.30
	Std. Deviation	3.14	0.55	0.99
	N	100	100	100

Appendix Table 9. North Dakota's Top 100 Public Charities: Measures of Performance by Level of Assets

Total Assets		Measure of Performance		
		Fiscal	Mission	Sustainability
Less than \$6.0 million	Median	1.43	0.97	2.43
	Mean	2.32	1.37	2.25
	Std. Deviation	2.62	0.63	0.91
	N	17	17	17
\$6.0-\$10.0 million	Median	1.95	1.25	2.24
	Mean	2.98	1.48	2.52
	Std. Deviation	4.81	0.68	1.18
	N	29	29	29
\$10.1-\$15.0 million	Median	1.49	1.04	2.12
	Mean	1.77	1.17	2.27
	Std. Deviation	0.85	0.36	0.62
	N	15	15	15
\$15.1-\$30.0 million	Median	1.39	0.96	2.01
	Mean	2.23	1.28	2.03
	Std. Deviation	2.80	0.53	0.89
	N	20	20	20
Over \$30.0 million	Median	1.20	0.94	2.11
	Mean	1.90	1.09	2.32
	Std. Deviation	1.50	0.28	1.08
	N	19	19	19
Total	Median	1.53	1.06	2.13
	Mean	2.33	1.30	2.30
	Std. Deviation	3.14	0.55	0.99
	N	100	100	100

Appendix Table 10. North Dakota’s Top 100 Public Charities: Measure of Performance by Level of Revenue

Total Revenue		Measure of Performance		
		Fiscal	Mission	Sustainability
Less than \$1.0 million	Median	2.18	1.18	1.34
	Mean	2.15	1.33	1.41
	Std. Deviation	0.44	0.55	0.53
	N	8	8	8
\$1.0-\$3.0 million	Median	2.35	1.42	2.00
	Mean	3.81	1.41	1.88
	Std. Deviation	5.53	0.38	0.62
	N	21	21	21
\$3.1-\$5.0 million	Median	1.18	1.08	2.09
	Mean	2.66	1.23	2.15
	Std. Deviation	3.22	0.54	1.06
	N	11	11	11
\$5.1-\$10.0 million	Median	1.60	1.14	2.13
	Mean	2.29	1.42	2.31
	Std. Deviation	2.57	0.64	0.69
	N	25	25	25
Over \$10.0 million	Median	1.16	0.92	2.76
	Mean	1.41	1.16	2.80
	Std. Deviation	0.91	0.56	1.16
	N	35	35	35
Total	Median	1.53	1.06	2.13
	Mean	2.33	1.30	2.30
	Std. Deviation	3.14	0.55	0.99
	N	100	100	100

Appendix Table 11. North Dakota’s Top 100 Public Charities: Measure of Performance by Level of Expenses

Total Expenses		Measure of Performance		
		Fiscal	Mission	Sustainability
Less than \$1.0 million	Median	2.55	1.47	1.98
	Mean	5.20	1.51	1.75
	Std. Deviation	6.62	0.58	0.63
	N	15	15	15
\$1.0-\$3.0 million	Median	2.32	1.35	1.85
	Mean	2.85	1.39	1.76
	Std. Deviation	2.62	0.36	0.65
	N	21	21	21
\$3.1-\$5.0 million	Median	1.18	0.96	2.43
	Mean	1.87	1.34	2.35
	Std. Deviation	1.25	0.66	0.91
	N	11	11	11
\$5.1-\$10.0 million	Median	1.30	1.12	2.05
	Mean	1.83	1.32	2.42
	Std. Deviation	1.17	0.59	0.67
	N	19	19	19
Over \$10.0 million	Median	1.12	0.92	2.79
	Mean	1.17	1.12	2.80
	Std. Deviation	0.42	0.55	1.19
	N	34	34	34
Total	Median	1.53	1.06	2.13
	Mean	2.33	1.30	2.30
	Std. Deviation	3.14	0.55	0.99
	N	100	100	100

Appendix Table 12. North Dakota's Top 66 Private Foundations: Total Assets, Revenue, and Expenses and Disbursements, 2007

Foundation Name	Total Assets	Total Revenue	Total Expenses & Disbursements
The Barry Foundation	\$48,356,968	\$3,913,038	\$3,067,379
The R. B. Nordick Foundation	\$31,681,027	\$6,950,916	\$1,191,688
North Dakota Natural Resources Trust Inc.	\$17,202,166	\$2,501,426	\$2,149,939
The Tom and Frances Leach Foundation Inc.	\$11,715,573	\$2,983,230	\$950,458
Alex Stern Family Foundation	\$9,524,021	\$770,249	\$577,886
L. W. Huncke Foundation	\$9,171,588	\$124,395	\$812,359
Dakota Foundation	\$6,474,979	\$776,914	\$364,761
The Fred & Clara Eckert Foundation for Children	\$4,045,949	\$1,027,475	\$947,871
John L. McCormick Memorial Trust	\$3,769,877	\$358,636	\$152,147
MDU Resources Foundation	\$3,206,290	\$2,283,577	\$2,005,003
Mountrail County Aquatics Foundation Inc.	\$2,542,403	\$107,797	\$210,764
Oppen Family Guidance Institute	\$2,329,197	\$580,542	\$552,599
North Dakota Masonic Foundation	\$2,138,581	\$45,655	\$91,757
Alva J. Field Memorial Trust	\$1,946,125	\$257,201	\$37,385
Noel & Judith Fedje Foundation	\$1,902,707	\$445,221	\$333,352
Tisdale Foundation	\$1,741,661	\$124,287	\$96,524
Forum Communications Foundation	\$1,350,511	\$213,811	\$86,351
Ralph Boone Charitable Foundation	\$1,336,736	\$50,463	\$82,148
Gabriel J. Brown Trust	\$1,314,000	\$30,467	\$106,462
Dr. Henry Hobart Ruger Trust	\$1,005,510	\$98,726	\$72,178
Roy and Yvonne McNeil Scholarship Fund	\$1,003,688	\$31,433	\$24,268
Dale & Martha Hawk Foundation	\$998,942	\$66,562	\$66,306
C F Martell Memorial Foundation	\$913,487	\$76,540	\$129,973
Elmer & Kaya Berg Foundation No. 2	\$893,420	\$128,070	\$62,656
Myra Foundation	\$807,263	\$334,339	\$330,922
The Clairmont Family Foundation	\$702,582	\$252,846	\$1,344
Minot Elks Lodge 1089 Charitable Foundation Inc.	\$685,378	\$28,323	\$25,106
Vickers Foundation	\$672,718	\$331,933	\$26,119
Lakota Community Foundation	\$659,717	\$48,272	\$47,504
Ward Charitable Trust	\$640,449	\$122,479	\$177,450

Foundation Name	Total Assets	Total Revenue	Total Expenses & Disbursements
United Telephone Educational Foundation	\$635,518	\$31,455	\$25,465
Leland Stenehjerm Family Foundation	\$633,188	\$48,028	\$42,225
Theodore H. Sedler Scholarship Fund	\$582,483	\$67,239	\$60,598
Vera Ellsworth & Bea Cox Charitable Trust	\$542,131	\$49,439	\$34,319
The Leonard Rydell Foundation	\$519,076	\$46,472	\$25,142
John A. Kozel Charitable Trust	\$484,360	\$29,752	\$30,657
Frank A. Wenstrom and M. Esther Wenstrom Foundation	\$424,722	\$31,790	\$14,476
YMCA of North Dakota State University	\$413,024	\$39,554	\$57,753
Maude M. Schuetze Foundation	\$349,556	\$29,026	\$23,472
Tuttle Area Development Corporation	\$321,096	\$7,400	\$6,834
Olger B. & Zoe E. Burtness Trust	\$267,611	\$24,538	\$17,161
Harold & Dorothy Madson Foundation	\$266,948	\$183,085	\$31,438
Lucile Coghlan McCormick Memorial Trust	\$264,909	\$19,445	\$16,457
Vincent Gaffney Foundation	\$249,682	\$58,608	\$16,040
Three Affiliated Tribes Museum Inc.	\$239,704	\$36,288	\$32,468
Fargo Fellowship of Orthodox Believers	\$222,936	\$66,518	\$12,233
Walter & Barbara E. Reishus Pedersen Lutheran Foundation	\$216,217	\$31,948	\$22,709
Edmund E. Toutges Testamentary Trust	\$209,157	\$16,008	\$14,464
George E. Haggart Foundation	\$208,713	\$10,657	\$10,523
McKenzie County Educational Trust	\$204,415	\$8,685	\$11,773
Paul Koehmstedt Trust I	\$189,785	\$206,626	\$21,199
Jamestown Medical Foundation	\$189,502	\$6,140	\$8,116
Urdahl Inc.	\$171,602	\$19,909	\$9,683
Muriel E. Andersen Estate/ Muriel & Svend Andersen Larimore Scholarship Fund	\$171,498	\$12,771	\$11,374
Scheels All-Sports Foundation	\$152,098	\$522,228	\$528,751
Helen R. Ernst Charitable Trust	\$151,550	\$7,547	\$9,476
Hilda Long Animal Protection Trust	\$143,234	\$9,765	\$8,173
The G.E. and Virginia R. Satrom Family Foundation	\$132,053	\$27,670	\$9,606
The Halverson Family Foundation	\$125,690	\$12,780	\$4,288
Gerald C. and Suzanne H. Ryan Family Foundation	\$111,665	\$10,059	\$9,770

Foundation Name	Total Assets	Total Revenue	Total Expenses & Disbursements
John A. & Yvonne S. Cronquist Midway Scholarship Fund	\$105,623	\$7,585	\$8,152
Kingsbury Family Foundation	\$102,574	\$2,574	--
Dawson Foundation	\$102,239	\$12,056	\$20,401
Howard and Lois Crummy Educational Trust	\$100,664	\$4,639	\$3,067
Minot Rotary Scholarship Foundation	\$1,061	\$32,972	\$228,686
Bryan J. and Patricia A. Smith Family Foundation	\$500	\$8,000	\$7,500
Total	\$179,940,297	\$26,804,079	\$16,175,108

Appendix Table 13. North Dakota's Top 66 Private Foundations: Organizations by Level of Assets, Revenue, and Expenses and Disbursements, 2007

Organizational Characteristics	Organizations	
	Number (N)	Percent
<i>Total Assets</i>		
\$200,000 or less	16	24.2%
\$200,001-\$500,000	15	22.7%
\$500,001-\$1.0 million	14	21.2%
Over \$1.0 million	21	31.8%
Missing value	0	0.0%
Total	66	100.0%
<i>Total Revenue</i>		
\$20,000 or less	17	25.8%
\$20,001-\$50,000	18	27.3%
\$50,001-\$250,000	15	22.7%
Over \$250,000	16	24.2%
Missing value	0	0.0%
Total	66	100.0%
<i>Total Expenses and Disbursements</i>		
\$20,000 or less	21	31.8%
\$20,001-\$50,000	16	24.2%
\$50,001-\$250,000	15	22.7%
Over \$250,000	13	19.7%
Missing value	1	1.5%
Total	66	100.0%

Appendix Table 14. North Dakota's Top 66 Private Foundations: Total Assets by Type of Asset, 2007

Type of Assets	Total Assets	
	Amount	Percent
Total Securities	\$97,514,830	54.2%
• Investments – corporate stock	\$78,951,365	43.9%
• Investments – corporate bonds	\$12,873,832	7.2%
• Investments – U.S. and state government obligations	\$ 5,689,633	3.2%
Savings and temporary cash investments	\$15,539,280	8.6%
Cash (non interest bearing)	\$3,279,929	1.8%
Other assets	\$63,606,258	35.3%
Total Assets	\$179,940,297	100.0%

Appendix Table 15. North Dakota's Top 66 Private Foundations: Total Revenue by Source of Revenue, 2007

Source of Revenue	Total Revenue	
	Amount	N
Contributions, gifts, and grants received	\$12,053,310	31
Capital gain net income	\$10,172,379	28
Dividends and interest from securities	\$6,425,881	46
Sales of Assets: Net gain or loss	\$4,538,933	35
Other revenue	\$3,750,625	
• Net rental income	\$1,322,846	16
• Interest on savings and temporary cash investments	\$988,855	52
• Net short-term capital gain	\$43,238	5
• Other revenue	\$1,395,686	23
Total revenue	\$36,941,128	66

Appendix Table 16. North Dakota's Top 66 Private Foundations: Total Expenses and Disbursements by Type of Expense, 2007

Foundation Name	Total Operating & Administrative Expenses	Contributions, Gifts, & Grants Paid	Total Expenses & Disbursements
The Barry Foundation	\$311,736	\$2,755,643	\$3,067,379
The R. B. Nordick Foundation	\$30,108	\$1,161,580	\$1,191,688
North Dakota Natural Resources	\$510,610	\$1,639,329	\$2,149,939
The Tom and Frances Leach Foundation Trust Inc.	\$350,458	\$600,000	\$950,458
Alex Stern Family Foundation	\$103,714	\$474,172	\$577,886
L. W. Huncke Foundation	\$332,359	\$480,000	\$812,359
Dakota Foundation	\$64,761	\$300,000	\$364,761
The Fred & Clara Eckert Foundation for Children	\$947,871	--	\$947,871

Foundation Name	Total Operating & Administrative Expenses	Contributions, Gifts, & Grants Paid	Total Expenses & Disbursements
John L. McCormick Memorial Trust	\$2,447	\$149,700	\$152,147
MDU Resources Foundation	\$6,648	\$1,998,355	\$2,005,003
Mountrail County Aquatics Foundation Inc.	\$210,764	--	\$210,764
Oppen Family Guidance Institute	\$552,599	--	\$552,599
North Dakota Masonic Foundation	\$30,522	\$61,235	\$91,757
Alva J. Field Memorial Trust	\$37,385	--	\$37,385
Noel & Judith Fedje Foundation	\$123	\$333,229	\$333,352
Tisdale Foundation	\$96,524	--	\$96,524
Forum Communications Foundation	\$8,436	\$77,915	\$86,351
Gabriel J. Brown Trust	\$106,462	--	\$106,462
Ralph Boone Charitable Foundation	\$2,148	\$80,000	\$82,148
Roy and Yvonne McNeil Scholarship Fund	\$6,268	\$18,000	\$24,268
Dale & Martha Hawk Foundation	\$66,306	--	\$66,306
Dr. Henry Hobart Ruger Trust	\$37,511	\$34,667	\$72,178
C. F. Martell Memorial Foundation	\$13,963	\$116,010	\$129,973
Elmer & Kaya Berg Foundation No. 2	\$8,206	\$54,450	\$62,656
Myra Foundation	\$95,095	\$235,827	\$330,922
Minot Elks Lodge 1089 Charitable Foundation Inc.	\$6,851	\$18,255	\$25,106
Lakota Community Foundation	\$3,977	\$43,527	\$47,504
Ward Charitable Trust	\$7,450	\$170,000	\$177,450
United Telephone Educational Foundation	\$2,665	\$22,800	\$25,465
Leland Stenehjem Family Foundation	\$7,223	\$35,002	\$42,225
Theodore H. Sedler Scholarship Fund	\$16,848	\$43,750	\$60,598
Vera Ellsworth & Bea Cox Charitable Trust	\$5,904	\$28,415	\$34,319
The Leonard Rydell Foundation	\$3,105	\$22,037	\$25,142
John A. Kozel Charitable Trust	\$1,447	\$29,210	\$30,657
The Clairmont Family Foundation	\$1,194	\$150	\$1,344
Frank A. Wenstrom and M. Esther Wenstrom Foundation	\$4,976	\$9,500	\$14,476
YMCA of North Dakota State University	\$57,753	--	\$57,753
Vickers Foundation	\$14	\$26,105	\$26,119
Maude M. Schuetze Foundation	\$5,472	\$18,000	\$23,472
Tuttle Area Development Corporation	\$6,834	--	\$6,834
Olger B. & Zoe E. Burtness Trust	\$4,562	\$12,599	\$17,161
Harold & Dorothy Madson Foundation	\$1,828	\$29,610	\$31,438
Lucile Coghlan McCormick Memorial Trust	\$3,457	\$13,000	\$16,457

Foundation Name	Total Operating & Administrative Expenses	Contributions, Gifts, & Grants Paid	Total Expenses & Disbursements
Vincent Gaffney Foundation	\$3,857	\$12,183	\$16,040
Three Affiliated Tribes Museum Inc.	\$32,468	--	\$32,468
Bryan J. and Patricia A. Smith Family Foundation	--	\$7,500	\$7,500
Fargo Fellowship of Orthodox Believers	\$12,233	--	\$12,233
Walter & Barbara E. Reishus Pedersen Lutheran Foundation	\$2,709	\$20,000	\$22,709
Edmund E. Toutges Testamentary Trust	\$3,460	\$11,004	\$14,464
George E. Haggart Foundation	\$523	\$10,000	\$10,523
McKenzie County Educational Trust	\$4,773	\$7,000	\$11,773
Minot Rotary Scholarship Foundation	\$319	\$228,367	\$228,686
Paul Koehmstedt Trust I	\$8,129	\$13,070	\$21,199
Jamestown Medical Foundation	\$2,116	\$6,000	\$8,116
Urdahl Inc.	\$2,141	\$7,542	\$9,683
Muriel E. Andersen Estate/ Muriel & Svend Andersen Larimore Scholarship Fund	\$3,374	\$8,000	\$11,374
Helen R. Ernst Charitable Trust	\$3,476	\$6,000	\$9,476
Scheels All-Sports Foundation	\$9,251	\$519,500	\$528,751
Hilda Long Animal Protection Trust	\$1,624	\$6,549	\$8,173
The G.E. and Virginia R. Satrom Family Foundation	\$3,214	\$6,392	\$9,606
The Halverson Family Foundation	\$788	\$3,500	\$4,288
Gerald C. and Suzanne H. Ryan Family Foundation	\$2,349	\$7,421	\$9,770
Dawson Foundation	\$1,924	\$18,477	\$20,401
John A. & Yvonne S. Cronquist Midway Scholarship Fund	\$652	\$7,500	\$8,152
Kingsbury Family Foundation	--	--	--
Howard and Lois Crummy Educational Trust	\$67	\$3,000	\$3,067
Total	\$4,174,031	\$12,001,077	\$16,175,108

Appendix Table 17. North Dakota's Top 66 Private Foundations: Measures of Financial Performance by Financial Characteristics

Organizational Characteristics	Financial Performance			
	Median	Mean	Standard Deviation	N
Total Assets				
\$200,000 or less	4.62	-9.14	59.60	6
\$200,001-\$500,000	2.66	5.50	5.18	8
\$500,001-\$1.0 million	3.12	65.83	143.95	6
Over \$1.0 million	1.93	3.14	3.23	11
Total	2.80	13.51	69.01	31
Total Revenue				
\$20,000 or less	3.50	8.48	13.62	6
\$20,001-\$50,000	1.77	-19.73	52.99	6
\$50,001-\$250,000	5.06	7.91	8.13	8
Over \$250,000	4.38	38.45	106.57	11
Total	2.80	13.51	69.01	31
Total Expenses and Disbursements				
\$20,000 or less	4.78	47.67	117.24	9
\$20,001-\$50,000	2.80	10.51	11.02	7
\$50,001-\$250,000	0.98	-19.55	53.10	6
Over \$250,000	2.48	3.71	3.31	9
Total	2.80	13.51	69.01	31

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Return of Organization Exempt From Income Tax

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

2005

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2005 calendar year, or tax year beginning _____, 2005, and ending _____, 20

<p>B Check if applicable:</p> <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<p>C Name of organization</p> <hr/> <p>Number and street (or P.O. box if mail is not delivered to street address) Room/suite</p> <hr/> <p>City or town, state or country, and ZIP + 4</p>	<p>D Employer identification number</p> <hr/> <p>.....</p>	<p>E Telephone number</p> <hr/> <p>() () ()</p>	<p>F Accounting method: <input type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) ▶</p>
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• **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).**

H and I are not applicable to section 527 organizations.

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

H(b) If "Yes," enter number of affiliates ▶

H(c) Are all affiliates included? Yes No
(If "No," attach a list. See instructions.)

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Group Exemption Number ▶

M Check if the organization is **not** required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

G Website: ▶

J Organization type (check only one) ▶ 501(c) () ◀ (insert no.) 4947(a)(1) or 527

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization chooses to file a return, be sure to file a complete return. **Some states require a complete return.**

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

		1	Contributions, gifts, grants, and similar amounts received:			
	1a	1b	1c		1d	
	a Direct public support					
	b Indirect public support					
	c Government contributions (grants)					
	d Total (add lines 1a through 1c) (cash \$ _____ noncash \$ _____)					
	2 Program service revenue including government fees and contracts (from Part VII, line 93)				2	
	3 Membership dues and assessments				3	
	4 Interest on savings and temporary cash investments				4	
	5 Dividends and interest from securities				5	
	6a	6b			6c	
	6a Gross rents					
	b Less: rental expenses					
	c Net rental income or (loss) (subtract line 6b from line 6a)					
	7 Other investment income (describe ▶)				7	
	8a	8b	8c		8d	
	8a Gross amount from sales of assets other than inventory					
	b Less: cost or other basis and sales expenses					
	c Gain or (loss) (attach schedule)					
	d Net gain or (loss) (combine line 8c, columns (A) and (B))					
	9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>					
	9a	9b			9c	
	a Gross revenue (not including \$ _____ of contributions reported on line 1a)					
	b Less: direct expenses other than fundraising expenses					
	c Net income or (loss) from special events (subtract line 9b from line 9a)					
	10a	10b			10c	
	10a Gross sales of inventory, less returns and allowances					
	b Less: cost of goods sold					
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)					
	11 Other revenue (from Part VII, line 103)				11	
	12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)				12	
Expenses	13	14	15	16	17	
	13 Program services (from line 44, column (B))					
	14 Management and general (from line 44, column (C))					
	15 Fundraising (from line 44, column (D))					
	16 Payments to affiliates (attach schedule)					
	17 Total expenses (add lines 16 and 44, column (A))					
Net Assets	18	19	20	21		
	18 Excess or (deficit) for the year (subtract line 17 from line 12)					
	19 Net assets or fund balances at beginning of year (from line 73, column (A))					
	20 Other changes in net assets or fund balances (attach explanation)					
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)					

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i>		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22			
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule)	24			
25	Compensation of officers, directors, etc.	25			
26	Other salaries and wages	26			
27	Pension plan contributions	27			
28	Other employee benefits	28			
29	Payroll taxes	29			
30	Professional fundraising fees	30			
31	Accounting fees	31			
32	Legal fees	32			
33	Supplies	33			
34	Telephone	34			
35	Postage and shipping	35			
36	Occupancy	36			
37	Equipment rental and maintenance	37			
38	Printing and publications	38			
39	Travel	39			
40	Conferences, conventions, and meetings	40			
41	Interest	41			
42	Depreciation, depletion, etc. (attach schedule)	42			
43	Other expenses not covered above (itemize):				
a	.....	43a			
b	.....	43b			
c	.....	43c			
d	.....	43d			
e	.....	43e			
f	.....	43f			
g	.....	43g			
44	Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44			

Joint Costs. Check if you are following SOP 98-2.
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____; (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ▶ All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a (Grants and allocations \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
b (Grants and allocations \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
c (Grants and allocations \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
d (Grants and allocations \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
e Other program services (attach schedule) (Grants and allocations \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services). . . . ▶	

Part IV Balance Sheets (See the instructions.)

		(A) Beginning of year	(B) End of year
Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.			
Assets	45 Cash—non-interest-bearing		45
	46 Savings and temporary cash investments		46
	47a Accounts receivable	47a	
	b Less: allowance for doubtful accounts	47b	47c
	48a Pledges receivable	48a	
	b Less: allowance for doubtful accounts	48b	48c
	49 Grants receivable		49
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50
	51a Other notes and loans receivable (attach schedule)	51a	
	b Less: allowance for doubtful accounts	51b	51c
	52 Inventories for sale or use		52
	53 Prepaid expenses and deferred charges		53
	54 Investments—securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54
	55a Investments—land, buildings, and equipment: basis	55a	
	b Less: accumulated depreciation (attach schedule)	55b	55c
56 Investments—other (attach schedule)		56	
57a Land, buildings, and equipment: basis	57a		
b Less: accumulated depreciation (attach schedule)	57b	57c	
58 Other assets (describe ►)		58	
59 Total assets (must equal line 74). Add lines 45 through 58.		59	
Liabilities	60 Accounts payable and accrued expenses		60
	61 Grants payable		61
	62 Deferred revenue		62
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63
	64a Tax-exempt bond liabilities (attach schedule)		64a
	b Mortgages and other notes payable (attach schedule)		64b
	65 Other liabilities (describe ►)		65
66 Total liabilities. Add lines 60 through 65		66	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.		
	67 Unrestricted		67
	68 Temporarily restricted		68
	69 Permanently restricted		69
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.		
	70 Capital stock, trust principal, or current funds.		70
	71 Paid-in or capital surplus, or land, building, and equipment fund		71
	72 Retained earnings, endowment, accumulated income, or other funds		72
73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)		73	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73.		74	

Part VI Other Information <i>(continued)</i>		Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		
	b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)		
	| 82b |		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?		
	b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?		
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		
	b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
85	<i>501(c)(4), (5), or (6) organizations.</i> a Were substantially all dues nondeductible by members?		
	b Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
	c Dues, assessments, and similar amounts from members		
	d Section 162(e) lobbying and political expenditures		
	e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
	f Taxable amount of lobbying and political expenditures (line 85d less 85e)		
	g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		
	h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		
86	<i>501(c)(7) orgs.</i> Enter: a Initiation fees and capital contributions included on line 12		
	b Gross receipts, included on line 12, for public use of club facilities		
87	<i>501(c)(12) orgs.</i> Enter: a Gross income from members or shareholders		
	b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		
89a	<i>501(c)(3) organizations.</i> Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ ; section 4912 ▶ ; section 4955 ▶		
	b <i>501(c)(3) and 501(c)(4) orgs.</i> Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		
	c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶		
	d Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶		
90a	List the states with which a copy of this return is filed ▶		
	b Number of employees employed in the pay period that includes March 12, 2005 (See instructions.)		
91a	The books are in care of ▶ Telephone no. ▶ (.....)		
	Located at ▶ ZIP + 4 ▶		
	b 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)?	Yes	No
	If "Yes," enter the name of the foreign country ▶		
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1 , Report of Foreign Bank and Financial Accounts.		
	c At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country ▶		
92	<i>Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041</i> —Check here and enter the amount of tax-exempt interest received or accrued during the tax year . . . ▶		<input type="checkbox"/>
	| 92 |		

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))					
105 Total (add line 104, columns (B), (D), and (E))					

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
 - (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
- Note:** If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

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.

Please Sign Here

Signature of officer _____ Date _____

Type or print name and title. _____

Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN (See Gen. Inst. W)
	Firm's name (or yours if self-employed), address, and ZIP + 4	EIN	Phone no.	

Part III **Statements About Activities** (See page 2 of the instructions.)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)		
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?	2a	
b Lending of money or other extension of credit?	2b	
c Furnishing of goods, services, or facilities?	2c	
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	
e Transfer of any part of its income or assets?	2e	
3a Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)	3a	
b Do you have a section 403(b) annuity plan for your employees?	3b	
c During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?	3c	
4a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?	4a	
b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?	4b	

Part IV **Reason for Non-Private Foundation Status** (See pages 3 through 6 of the instructions.)

The organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5** A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6** A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7** A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8** A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9** A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state ►**
- 10** An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a** An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b** A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12** 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 charitable, etc., 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). (Also complete the **Support Schedule** in Part IV-A.)
- 13** An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: **(1)** lines 5 through 12 above; or **(2)** sections 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). Check the box that describes the type of supporting organization: Type 1 Type 2 Type 3

Provide the following information about the supported organizations. (See page 6 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14** An organization organized and operated to test for public safety. Section 509(a)(4). (See page 6 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.**

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)					
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19 Net income from unrelated business activities not included in line 18.					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22					
24 Line 23 minus line 17					
25 Enter 1% of line 23					

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 ▶	26a	
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2001 through 2004 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts ▶	26b	
c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶	26c	
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____ ▶	26d	
e Public support (line 26c minus line 26d total) ▶	26e	
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) ▶	26f	%

27 Organizations described on line 12: **a** For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." **Do not file this list with your return.** Enter the sum of such amounts for each year:

(2004) _____ (2003) _____ (2002) _____ (2001) _____

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger of (1) the amount on line 25 for the year or (2) \$5,000.** (Include in the list organizations described in lines 5 through 11b, as well as individuals.) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in **(1)** or **(2)**, enter the sum of these differences (the excess amounts) for each year:

(2004) _____ (2003) _____ (2002) _____ (2001) _____

c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ ▶	27c	
d Add: Line 27a total, _____ and line 27b total ▶	27d	
e Public support (line 27c total minus line 27d total) ▶	27e	
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) . . ▶	27f	
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) ▶	27g	%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) . ▶	27h	%

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. **Do not file this list with your return.** Do not include these grants in line 15.

Part V Private School Questionnaire (See page 7 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d	Copies of all material used by the organization or on its behalf to solicit contributions?		
	If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?		
b	Admissions policies?		
c	Employment of faculty or administrative staff?		
d	Scholarships or other financial assistance?		
e	Educational policies?		
f	Use of facilities?		
g	Athletic programs?		
h	Other extracurricular activities?		
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
34a	Does the organization receive any financial aid or assistance from a governmental agency?		
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.		
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation		

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term "expenditures" means amounts paid or incurred.)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	
41	Lobbying nontaxable amount. Enter the amount from the following table—		
	If the amount on line 40 is— The lobbying nontaxable amount is—		
	Not over \$500,000 20% of the amount on line 40	41	
	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		
42	Grassroots nontaxable amount (enter 25% of line 41).	42	
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36.	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38.	44	

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

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 45 through 50 on page 11 of the instructions.)

Calendar year (or fiscal year beginning in) ►	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h).			
c Media advertisements.			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body.			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h).			

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation**

2001

Department of the Treasury
Internal Revenue Service

Note: The organization may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 2001, or tax year beginning , 2001, and ending , 20

G Check all that apply: Initial return Final return Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.

Name of organization _____ **A Employer identification number** _____

Number and street (or P.O. box number if mail is not delivered to street address) Room/suite _____ **B Telephone number (see page 10 of the instructions)** () _____

City or town, state, and ZIP code _____ **C** If exemption application is pending, check here

H Check type of organization: Section 501(c)(3) exempt private foundation **D 1.** Foreign organizations, check here

Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation **2.** Foreign organizations meeting the 85% test, check here and attach computation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \blacktriangleright \$ _____ **J** Accounting method: Cash Accrual **E** If private foundation status was terminated under section 507(b)(1)(A), check here

Other (specify) _____ (Part I, column (d) must be on cash basis.) **F** If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 10 of the instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule) Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	2 Distributions from split-interest trusts				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities				
	5a Gross rents				
	b (Net rental income or (loss) _____)				
	6a Net gain or (loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a _____				
	7 Capital gain net income (from Part IV, line 2)				
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11.					
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)				
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses (attach schedule)					
24 Total operating and administrative expenses. Add lines 13 through 23					
25 Contributions, gifts, grants paid					
26 Total expenses and disbursements. Add lines 24 and 25					
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -0-)					
c Adjusted net income (if negative, enter -0-)					

Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing			
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7 Other notes and loans receivable (attach schedule) ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments—U.S. and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)			
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment: basis ▶			
Less: accumulated depreciation (attach schedule) ▶				
12 Investments—mortgage loans				
13 Investments—other (attach schedule)				
14 Land, buildings, and equipment: basis ▶				
Less: accumulated depreciation (attach schedule) ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers—see page 16 of the instructions. Also, see page 1, item I)				
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22).				
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Organizations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see page 17 of the instructions)			
31 Total liabilities and net assets/fund balances (see page 17 of the instructions)				

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	
2 Enter amount from Part I, line 27a	2	
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col.(h))	
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a				
b				
c				
d				
e				
2 Capital gain net income or (net capital loss). { If gain, also enter in Part I, line 7 { If (loss), enter -0- in Part I, line 7 }		2		
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8		3		

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
 If "Yes," the organization does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2000			
1999			
1998			
1997			
1996			

2 Total of line 1, column (d)	2	
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	
4 Enter the net value of noncharitable-use assets for 2001 from Part X, line 5	4	
5 Multiply line 4 by line 3	5	
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	
7 Add lines 5 and 6	7	
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.	8	

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling letter: (attach copy of ruling letter if necessary—see instructions)			
b	Domestic organizations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b			
c	All other domestic organizations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			
3	Add lines 1 and 2			
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-			
6	Credits/Payments:			
a	2001 estimated tax payments and 2000 overpayment credited to 2001	6a		
b	Exempt foreign organizations—tax withheld at source	6b		
c	Tax paid with application for extension of time to file (Form 8868)	6c		
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments. Add lines 6a through 6d	7		
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11	Enter the amount of line 10 to be: Credited to 2002 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a		
1b		
1c		
2		
3		
4a		
4b		
5		
6		
7		
8a		
8b		
9		
10		
11		

1a During the tax year, did the organization attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?

1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the organization in connection with the activities.

1c Did the organization file **Form 1120-POL** for this year?

d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:
(1) On the organization. \$ _____ **(2)** On organization managers. \$ _____

e Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers. \$ _____

2 Has the organization engaged in any activities that have not previously been reported to the IRS?
If "Yes," attach a detailed description of the activities.

3 Has the organization made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*

4a Did the organization have unrelated business gross income of \$1,000 or more during the year?

4b If "Yes," has it filed a tax return on **Form 990-T** for this year?

5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?
If "Yes," attach the statement required by General Instruction T.

6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:
 • By language in the governing instrument or
 • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?

7 Did the organization have at least \$5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XIV.*

8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions)

b If the answer is "Yes" to line 7, has the organization furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? *If "No," attach explanation*

9 Is the organization claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2001 or the taxable year beginning in 2001 (see instructions for Part XIV on page 25)? *If "Yes," complete Part XIV*

10 Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses.*

11 Did the organization comply with the public inspection requirements for its annual returns and exemption application?
 Web site address

12 The books are in care of Telephone no.
 Located at ZIP+4

13 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041**—Check here and enter the amount of tax-exempt interest received or accrued during the year. **13**

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

- 1a During the year did the organization (either directly or indirectly):
 - (1) Engage in the sale or exchange, or leasing of property with a disqualified person? Yes No
 - (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? Yes No
 - (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? Yes No
 - (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? Yes No
 - (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? Yes No
 - (6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the organization agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) Yes No
- b If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 19 of the instructions)? **1b**
- c Did the organization engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2001? **1c**
- 2 Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):
 - a At the end of tax year 2001, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2001? Yes No
If "Yes," list the years ► 20 ____ , 19 ____ , 19 ____ , 19 ____
 - b Are there any years listed in 2a for which the organization is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see page 19 of the instructions.) **2b**
 - c If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ► 20 ____ , 19 ____ , 19 ____ , 19 ____
- 3a Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? Yes No
- b If "Yes," did it have excess business holdings in 2001 as a result of (1) any purchase by the organization or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (*Use Schedule C, Form 4720, to determine if the organization had excess business holdings in 2001.*) **3b**
- 4a Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes? **4a**
- b Did the organization make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2001? **4b**
- 5a During the year did the organization pay or incur any amount to:
 - (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No
 - (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No
 - (3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No
 - (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? Yes No
 - (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No
- b If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here **5b**
- c If the answer is "Yes" to question 5a(4), does the organization claim exemption from the tax because it maintained expenditure responsibility for the grant? Yes No
If "Yes," attach the statement required by Regulations section 53.4945–5(d).
- 6a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b**
If you answered "Yes" to 6b, also file Form 8870.

	Yes	No
1a		
1b		
1c		
2a		
2b		
2c		
3a		
3b		
4a		
4b		
5a		
5b		
6a		
6b		

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see page 20 of the instructions):

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
.....				
.....				
.....				
.....				
.....				

2 Compensation of five highest-paid employees (other than those included on line 1—see page 21 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
.....				
.....				
.....				
.....				
.....				

Total number of other employees paid over \$50,000 ▶

3 Five highest-paid independent contractors for professional services—(see page 21 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
.....		
.....		
.....		
.....		
.....		

Total number of others receiving over \$50,000 for professional services ▶

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 21 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1	
.....	
2	
.....	
All other program-related investments. See page 22 of the instructions.	
3	
.....	
Total. Add lines 1 through 3	▶

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 22 of the instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities		1a
b Average of monthly cash balances		1b
c Fair market value of all other assets (see page 22 of the instructions)		1c
d Total (add lines 1a, b, and c)		1d
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2 Acquisition indebtedness applicable to line 1 assets		2
3 Subtract line 2 from line 1d		3
4 Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see page 23 of the instructions)		4
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4		5
6 Minimum investment return. Enter 5% of line 5		6

Part XI Distributable Amount (see page 23 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

1 Minimum investment return from Part X, line 6		1
2a Tax on investment income for 2001 from Part VI, line 5	2a	
b Income tax for 2001. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b		2c
3 Distributable amount before adjustments. Subtract line 2c from line 1.		3
4a Recoveries of amounts treated as qualifying distributions	4a	
b Income distributions from section 4947(a)(2) trusts	4b	
c Add lines 4a and 4b		4c
5 Add lines 3 and 4c		5
6 Deduction from distributable amount (see page 23 of the instructions)		6
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1		7

Part XII Qualifying Distributions (see page 23 of the instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26		1a
b Program-related investments—Total from Part IX-B		1b
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes		2
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)		3a
b Cash distribution test (attach the required schedule)		3b
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4		4
5 Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 24 of the instructions)		5
6 Adjusted qualifying distributions. Subtract line 5 from line 4		6

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see page 24 of the instructions)

	(a) Corpus	(b) Years prior to 2000	(c) 2000	(d) 2001
1 Distributable amount for 2001 from Part XI, line 7				
2 Undistributed income, if any, as of the end of 2000:				
a Enter amount for 2000 only				
b Total for prior years: 19____, 19____, 19____				
3 Excess distributions carryover, if any, to 2001:				
a From 1996				
b From 1997				
c From 1998				
d From 1999				
e From 2000				
f Total of lines 3a through e				
4 Qualifying distributions for 2001 from Part XII, line 4: ▶ \$ _____				
a Applied to 2000, but not more than line 2a.				
b Applied to undistributed income of prior years (Election required—see page 24 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 24 of the instructions)				
d Applied to 2001 distributable amount				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2001 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see page 25 of the instructions				
e Undistributed income for 2000. Subtract line 4a from line 2a. Taxable amount—see page 25 of the instructions				
f Undistributed income for 2001. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2002.				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 25 of the instructions).				
8 Excess distributions carryover from 1996 not applied on line 5 or line 7 (see page 25 of the instructions).				
9 Excess distributions carryover to 2002. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9:				
a Excess from 1997				
b Excess from 1998				
c Excess from 1999				
d Excess from 2000				
e Excess from 2001				

Part XIV Private Operating Foundations (see page 25 of the instructions and Part VII-A, question 9)

- 1a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2001, enter the date of the ruling ▶
- b** Check box to indicate whether the organization is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year				(e) Total
	(a) 2001	(b) 2000	(c) 1999	(d) 1998	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— Enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year—see page 26 of the instructions.)

- 1 Information Regarding Foundation Managers:**
- a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)
-
- b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.
-
- 2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**
- Check here if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc. (see page 26 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.
- a** The name, address, and telephone number of the person to whom applications should be addressed:
-
- b** The form in which applications should be submitted and information and materials they should include:
-
- c** Any submission deadlines:
-
- d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:
-

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a <i>Paid during the year</i>				
Total				▶ 3a
b <i>Approved for future payment</i>				
Total				▶ 3b

