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Return of Organization Exempt From Income Tax

2001

Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection

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

A For the 2001 calendar year, or tax year period beginning and ending

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return
 Amended return
 Application pending

C Name of organization
MINNESOTA COUNCIL OF NONPROFITS
 Number and street (or P O box if mail is not delivered to street address) Room/suite
2314 UNIVERSITY AVENUE WEST 20
 City or town, state or country, and ZIP + 4
SAINT PAUL, MN 55114

D Employer identification number
36-3501477

E Telephone number
(651) 642-1904

F Accounting method: Cash Accrual
 Other (specify) _____

G Web site **WWW.MNCN.ORG**

J Organization type (check only one) 501(c) (3) (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 received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 **1,747,661.**

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? **N/A** Yes No (if "No," attach a list)
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No
I Enter 4-digit GEN _____

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

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances			
Revenue	1	Contributions, gifts, grants, and similar amounts received	
	a	Direct public support	1a 1,236,095.
	b	Indirect public support	1b
	c	Government contributions (grants)	1c
	d	Total (add lines 1a through 1c) (cash \$ 1,236,095. noncash \$ _____)	1d 1,236,095.
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2 281,570.
	3	Membership dues and assessments	3 223,451.
	4	Interest on savings and temporary cash investments	4 6,545.
	5	Dividends and interest from securities	5
	6a	Gross rents	6a
	6b	Less: rental expenses	6b
	6c	Net rental income or (loss) (subtract line 6b from line 6a)	6c
7	Other investment income (describe _____)	7	
Expenses	8a	Gross amount from sale of assets other than inventory	(A) Securities (B) Other
	8b	Less: cost or other basis and sales expenses	8a 8b
	8c	Gain or (loss) (attach schedule)	8c
	8d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8d
	9	Special events and activities (attach schedule)	
	a	Gross revenue (not including \$ _____ of contributions reported on line 1a)	9a
	b	Less: direct expenses other than fundraising expenses	9b
	9c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c
Net Assets	10a	Gross sales of inventory, less returns and allowances	10a
	10b	Less: cost of goods sold	10b
	10c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c
	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 1,747,661.
	13	Program services (from line 44, column (B))	13 886,523.
	14	Management and general (from line 44, column (C))	14 94,313.
	15	Fundraising (from line 44, column (D))	15 44,674.
	16	Payments to affiliates (attach schedule)	16
	17	Total expenses (add lines 16 and 44, column (A))	17 1,025,510.
18	Excess or (deficit) for the year (subtract line 17 from line 12)	18 722,151.	
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19 485,502.	
20	Other changes in net assets or fund balances (attach explanation)	20 0.	
21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21 1,207,653.	

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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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I

	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) cash \$ <u>1,250.</u> noncash \$	22 1,250.	1,250.	STATEMENT 3	
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 76,000.	57,000.	7,600.	11,400.
26 Other salaries and wages	26 434,824.	390,448.	28,344.	16,032.
27 Pension plan contributions	27 24,751.	21,682.	1,742.	1,327.
28 Other employee benefits	28 35,682.	31,253.	2,510.	1,919.
29 Payroll taxes	29 45,661.	39,996.	3,213.	2,452.
30 Professional fundraising fees	30			
31 Accounting fees	31 4,000.		4,000.	
32 Legal fees	32			
33 Supplies	33 15,232.	10,712.	3,863.	657.
34 Telephone	34 27,205.	23,830.	1,914.	1,461.
35 Postage and shipping	35 26,732.	23,415.	1,881.	1,436.
36 Occupancy	36 93,722.	82,094.	6,595.	5,033.
37 Equipment rental and maintenance	37 14,974.	3,687.	11,079.	208.
38 Printing and publications	38 50,750.	49,186.	1,205.	359.
39 Travel	39 7,953.	1,250.	6,504.	199.
40 Conferences, conventions, and meetings	40 8,948.	4,506.	4,372.	70.
41 Interest	41 537.		537.	
42 Depreciation, depletion, etc (attach schedule)	42 32,417.	28,395.	2,281.	1,741.
43 Other expenses not covered above (itemize)				
a _____	43a			
b _____	43b			
c _____	43c			
d _____	43d			
e SEE STATEMENT 1	43e 124,872.	117,819.	6,673.	380.
44 Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D) carry these totals to lines 13-15	44 1,025,510.	886,523.	94,313.	44,674.

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

What is the organization's primary exempt purpose? **SEE STATEMENT 2**

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 PUBLIC POLICY - SEE STATEMENT	(Grants and allocations \$ _____)	181,444.
b MEMBER SERVICES - SEE STATEMENT	(Grants and allocations \$ _____)	166,440.
c EDUCATION - SEE STATEMENT	(Grants and allocations \$ _____)	320,528.
d RESEARCH - SEE STATEMENT	(Grants and allocations \$ _____)	123,959.
e Other program services (attach schedule) STATEMENT 4	(Grants and allocations \$ _____)	94,152.
f Total of Program Service Expenses (should equal line 44 column (B) Program services)		886,523.

Part IV Balance Sheets

Note		(A) Beginning of year		(B) End of year	
<i>Where required, attached schedules and amounts within the description column should be for end-of-year amounts only</i>					
Assets	45	Cash - non-interest-bearing	140,824.	45	450,422.
	46	Savings and temporary cash investments	11,765.	46	10,338.
	47 a	Accounts receivable	47a 8,370.		
	b	Less allowance for doubtful accounts	47b	47c	8,370.
	48 a	Pledges receivable	48a 599,250.		
	b	Less allowance for doubtful accounts	48b	48c	599,250.
	49	Grants receivable		49	
	50	Receivables from officers, directors, trustees, and key employees		50	
	51 a	Other notes and loans receivable	51a		
	b	Less allowance for doubtful accounts	51b	51c	
	52	Inventories for sale or use		52	
	53	Prepaid expenses and deferred charges	47,007.	53	34,746.
	54	Investments - securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54	
	55 a	Investments - land, buildings, and equipment basis	55a		
	b	Less accumulated depreciation	55b	55c	
56	Investments - other		56		
57 a	Land, buildings, and equipment basis	57a 164,316.			
b	Less accumulated depreciation	57b 55,472.	57c	108,844.	
58	Other assets (describe <input type="checkbox"/> SEE STATEMENT 4)	101,714.	58	27,077.	
59	Total assets (add lines 45 through 58) (must equal line 74)	550,627.	59	1,239,047.	
Liabilities	60	Accounts payable and accrued expenses	65,125.	60	23,344.
	61	Grants payable		61	
	62	Deferred revenue		62	
	63	Loans from officers, directors, trustees, and key employees		63	
	64 a	Tax-exempt bond liabilities		64a	
	b	Mortgages and other notes payable		64b	
	65	Other liabilities (describe <input type="checkbox"/> DEFERRED REVENUE)		65	8,050.
66	Total liabilities (add lines 60 through 65)	65,125.	66	31,394.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74				
	67	Unrestricted	<28,274.>	67	38,216.
	68	Temporarily restricted	513,776.	68	1,169,437.
	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)	485,502.	73	1,207,653.	
74	Total liabilities and net assets / fund balances (add lines 66 and 73)	550,627.	74	1,239,047.	

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.

Part VI Other Information		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes		X
78 a	Did the organization have unrelated business gross income of \$1 000 or more during the year covered by this return?		X
b	If "Yes," has it filed a tax return on Form 990-T for this year? N/A		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?		X
b	If "Yes," enter the name of the organization and check whether it is <input type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt		
81 a	Enter direct or indirect political expenditures See line 81 instructions 81a 0.		
b	Did the organization file Form 1120-POL for this year?		X
82 a	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?	X	
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		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A		
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members? N/A		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? N/A		
	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 85c N/A		
d	Section 162(e) lobbying and political expenditures 85d N/A		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e N/A		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f N/A		
g	Does the organization elect to pay the section 6033(e) tax on the amount in 85f? N/A		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? N/A		
86	501(c)(7) organizations Enter a Initiation fees and capital contributions included on line 12 86a N/A		
b	Gross receipts included on line 12, for public use of club facilities 86b N/A		
87	501(c)(12) organizations Enter a Gross income from members or shareholders 87a N/A		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) 87b N/A		
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		X
89 a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 0. , section 4912 0. , section 4955 0.		
b	501(c)(3) and 501(c)(4) organizations 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		X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 0.		
d	Enter Amount of tax on line 89c, above, reimbursed by the organization 0.		
90 a	List the states with which a copy of this return is filed MINNESOTA		
b	Number of employees employed in the pay period that includes March 12 2001 90b 13		
91	The books are in care of JON PRATT Telephone no (651) 642-1904		
	Located at 2314 UNIVERSITY AVENUE WEST, SUITE 20 ZIP +4 55114		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here 92 N/A and enter the amount of tax-exempt interest received or accrued during the tax year		

Part VII Analysis of Income-Producing Activities (See Specific Instructions on page 32)

Note	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue					
a MEMBER SERVICES					127,272.
b ANNUAL MEETING INCOME					78,985.
c PUBLICATIONS					46,951.
d COMMISSIONS & MARKETING					17,822.
e MISCELLANEOUS INCOME					10,540.
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					223,451.
95 Interest on savings and temporary cash investments			14	6,545.	
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))		0.		6,545.	505,021.
105 Total (add line 104 columns (B), (D) and (E))					511,566.

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 Specific Instructions on page 32)

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)
▼	SEE STATEMENT 6

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See Specific Instructions on page 33)

(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
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See Specific Instructions on page 33)

(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: *Garen K. Diney* | 5-21-02 | Chair, Board of Directors

Signature of officer | Date | Type or print name and title

Paid Preparer's Use Only: *David J. Hertz* | 5-20-02 | Check if self-employed | Preparer's SSN or PTIN: P00076153

Firm's name (or yours if self-employed) address and ZIP + 4: MAHONEY, ULBRICH, CHRISTIANSEN & RUSS P.A. | EIN: 41-1647057 | 30 EAST PLATO BOULEVARD | SAINT PAUL, MN 55107-1809 | Phone no: (651) 227-6695

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information-(See separate instructions.)
▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No 1545-0047

2001

Name of the organization

MINNESOTA COUNCIL OF NONPROFITS

Employer identification number

36 3501477

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 1 of the instructions List each one If there are 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 & deferred compensation	(e) Expense account and other allowances
CHRIS SULLIVAN ----- ST. PAUL, MN	MIS DIRECTOR 40	52,272.	5,160.	
MARCIA AVNER ----- ST. PAUL, MN	PROGRAM DIREC 40	57,120.	7,723.	

Total number of other employees paid over \$50,000 ▶	0			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions List each one (whether individuals or firms) If there are none, enter "None")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE -----		

Total number of others receiving over \$50,000 for professional services ▶	0	

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 ▶ \$ _____ \$ <u>28,246.</u> (Must equal amounts on line 38, Part VI-A, or line 1 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	1	X
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	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods, services, or facilities?	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE PART V, FORM 990	2d	X
e Transfer of any part of its income or assets?	2e	X
3 Does the organization make grants for scholarships, fellowships, student loans, etc ? (See Note below)	3	X
4 Do you have a section 403(b) annuity plan for your employees?	4	X
Note Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments		

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) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3))

Provide the following information about the supported organizations (See page 5 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) 2000	(b) 1999	(c) 1998	(d) 1997	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	450,635.	663,922.	292,844.	515,547.	1,922,948.
16 Membership fees received	317,808.	188,036.	122,965.	184,158.	812,967.
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	184,057.	184,605.	150,896.	25,719.	545,277.
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	9,521.	7,096.	7,502.	3,872.	27,991.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization a 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	962,021.	1,043,659.	574,207.	729,296.	3,309,183.
24 Line 23 minus line 17	777,964.	859,054.	423,311.	703,577.	2,763,906.
25 Enter 1% of line 23	9,620.	10,437.	5,742.	7,293.	
26 Organizations described on lines 10 or 11	a Enter 2% of amount in column (e) line 24				26a 55,278.
	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 1997 through 2000 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.				26b 891,426.
	c Total support for section 509(a)(1) test. Enter line 24, column (e).				26c 2,763,906.
	d Add Amounts from column (e) for lines	18 27,991.	19	19 891,426.	26d 919,417.
		22	26b		26e 1,844,489.
	e Public support (line 26c minus line 26d total)				26e
	f Public support percentage (line 26e (numerator) divided by line 26c (denominator))				26f 66.7349%
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: N/A				
	(2000)	(1999)	(1998)	(1997)	
	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 11, 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: N/A				
	(2000)	(1999)	(1998)	(1997)	
	c Add Amounts from column (e) for lines				27c N/A
	15	16	17	20	27d N/A
	17	20	21		27e N/A
	d Add Line 27a total and line 27b total				27f N/A
	e Public support (line 27c total minus line 27d total)				27g N/A %
	f Total support for section 509(a)(2) test. Enter amount on line 23, column (e)				27h N/A %
	g Public support percentage (line 27e (numerator) divided by line 27f (denominator))				
	h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))				

28 Unusual Grants For an organization described in line 10, 11, or 12, that received any unusual grants during 1997 through 2000, 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.

NONE

Part V Private School Questionnaire (See page 7 of the instructions)

N/A

(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)		
<hr/>			
<hr/>			
32	Does the organization maintain the following		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
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)	32d	
<hr/>			
33	Does the organization discriminate by race in any way with respect to		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities? If you answered "Yes" to any of the above please explain (If you need more space, attach a separate statement)	33h	
<hr/>			
<hr/>			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
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	34b	
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	35	

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 (The term "expenditures" means amounts paid or incurred)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
		N/A	
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	14,494.
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	13,752.
38	Total lobbying expenditures (add lines 36 and 37)	38	28,246.
39	Other exempt purpose expenditures	39	997,264.
40	Total exempt purpose expenditures (add lines 38 and 39)	40	1,025,510.
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	
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	
41		41	177,551.
42	Grassroots nontaxable amount (enter 25% of line 41)	42	44,388.
43	Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43	0.
44	Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44	0.

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) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total	
45	Lobbying nontaxable amount	177,551.	174,825.	143,446.	131,911.	627,733.
46	Lobbying ceiling amount (150% of line 45(e))					941,600.
47	Total lobbying expenditures	28,246.	6,752.	5,770.	6,463.	47,231.
48	Grassroots nontaxable amount	44,388.	43,706.	35,862.	32,978.	156,934.
49	Grassroots ceiling amount (150% of line 48(e))					235,401.
50	Grassroots lobbying expenditures	14,494.	6,077.	5,193.	5,678.	31,442.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 12 of the instructions)

N/A

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

- 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)

Yes	No	Amount
		0.

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

Schedule B
(Form 990, 990-EZ, or
990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

Supplementary Information for
line 1 of Form 990, 990-EZ and 990-PF (see instructions)

OMB No 1545-0047

2001

Name of organization

MINNESOTA COUNCIL OF NONPROFITS

Employer identification number

36-3501477

Organization type (check one)

Filers of

Section

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust not treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General rule** or a **Special rule** (Note Only a section 501(c)(7), (8), or (10) organization can check box(es) for both the General rule and a Special rule-see instructions)

General Rule-

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor (Complete Parts I and II)

Special Rules-

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms (Complete Parts I and II)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals (Complete Parts I, II, and III)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000 (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose Do not complete any of the Parts unless the General rule applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year) ▶ \$ _____

Caution: Organizations that are not covered by the General rule and/or the Special rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they must check the box in the heading of their Form 990, Form 990-EZ, or on line 1 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Schedule B (Form 990, 990-EZ, or 990-PF) (2001)

Name of organization MINNESOTA COUNCIL OF NONPROFITS	Employer identification number 36-3501477
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Part I Contributors (See Specific Instructions)

(a) No	(b) Name, address and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
<u>1</u>		\$ <u>105,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
<u>2</u>		\$ <u>300,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
<u>3</u>		\$ <u>30,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
<u>4</u>		\$ <u>305,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
<u>5</u>		\$ <u>176,200.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
<u>6</u>		\$ <u>55,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

Name of organization MINNESOTA COUNCIL OF NONPROFITS	Employer identification number 36-3501477
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Part I Contributors (See Specific Instructions)

(a) No	(b) Name, address and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7	<hr/> <hr/> <hr/> <hr/>	\$ 165,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
(a) No	<hr/> <hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
(a) No	<hr/> <hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
(a) No	<hr/> <hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
(a) No	<hr/> <hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
(a) No	<hr/> <hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
(a) No	<hr/> <hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

FORM 990	OTHER EXPENSES			STATEMENT	1
DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING	
CONSULTANTS	19,867.	19,867.			
DUES	2,455.	275.	2,180.		
SUBSCRIPTIONS	514.	199.	315.		
ADVERTISING	1,287.	1,074.	167.		46.
ANNUAL CONFERENCE COSTS	49,786.	49,786.			
INSURANCE	624.		624.		
STAFF TRAINING	300.	255.	30.		15.
BOARD RETREAT	605.		605.		
WORKSHOP	37,111.	36,659.	226.		226.
DIRECTORY	8,186.	8,186.			
LOSS ON DISPOSAL OF ASSETS	466.		466.		
MISCELLANEOUS	1,731.	1,518.	120.		93.
PROFESSIONAL FEES	1,940.		1,940.		
TOTAL TO FM 990, LN 43	124,872.	117,819.	6,673.		380.

FORM 990	STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE PART III	STATEMENT	2
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EXPLANATION

THE COUNCIL OFFERS RESEARCH, ADVOCACY, TRAINING AND EDUCATIONAL ACTIVITIES TO HELP MEMBER AND NON-MEMBER NONPROFIT ORGANIZATIONS BE MORE EFFICIENT AND EFFECTIVE AND TO INCREASE PUBLIC UNDERSTANDING OF MINNESOTA'S NONPROFIT ORGANIZATIONS.

FORM 990	CASH GRANTS AND ALLOCATIONS			STATEMENT	3
CLASSIFICATION	DONEE'S NAME	DONEE'S ADDRESS	DONEE'S RELATIONSHIP	AMOUNT	
NONPROFIT MISSION AWARDS	PROJECT 504		NONE	250.	
NONPROFIT MISSION AWARDS	MENTAL HEALTH ASSOCIATION OF MN		NONE	250.	
NONPROFIT MISSION AWARDS	BEMIDJI AREA RACE RELATIONS COUNCIL		NONE	750.	

TOTAL INCLUDED ON FORM 990, PART II, LINE 22

1,250.

FORM 990	OTHER PROGRAM SERVICES	STATEMENT	4
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DESCRIPTION	GRANTS AND ALLOCATIONS	EXPENSES
ADVOCACY - SEE STATEMENT		94,152.
TOTAL TO FORM 990, PART III, LINE E		94,152.

FORM 990	OTHER ASSETS	STATEMENT	5
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DESCRIPTION	AMOUNT
CASH RESTRICTED FOR OFFICE RELOCATION AND EQUIPMENT	27,077.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B	27,077.

FORM 990

PART V - LIST OF OFFICERS, DIRECTORS,
TRUSTEES AND KEY EMPLOYEES

STATEMENT 6

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
JON PRATT MINNEAPOLIS, MN 55114	EXECUTIVE DIRECTOR 40	76,000.	8,779.	0.
MICHAEL WIRTH-DAVIS ST PAUL, MN 55108	BOARD MEMBER 0	0.	0.	0.
REID ZIMMERMAN CENTER CITY, MN 55012	VICE CHAIR 0	0.	0.	0.
YVONNE CHEUNG HO MINNEAPOLIS, MN 55401	BOARD MEMBER 0	0.	0.	0.
JOAN WELLS ST PAUL, MN 55101	BOARD MEMBER 0	0.	0.	0.
MICHELLE WOSTER MINNEAPOLIS, MN 55418	BOARD MEMBER 0	0.	0.	0.
PAUL CARRIZALES ST PAUL, MN 55106	VICE CHAIR 0	0.	0.	0.
NANCY KLEEMAN MINNEAPOLIS, MN 55402	BOARD MEMBER 0	0.	0.	0.
CRAIG LUEDEMANN MINNEAPOLIS, MN 55402	TREASURER 0	0.	0.	0.
MIKE MCMONIGAL WILLMAR, MN 55902	BOARD MEMBER 0	0.	0.	0.
FOLARIN ERO-PHILLIPS MINNEAPOLIS, MN 55411	BOARD MEMBER 0	0.	0.	0.

GLORIA PEREZ-JORDAN	BOARD MEMBER			
MINNEAPOLIS, MN 55403	0	0.	0.	0.
SARAH A. STOESZ	BOARD MEMBER			
ST PAUL, MN 55116	0	0.	0.	0.
JAMES TOSCANO	BOARD MEMBER			
ST LOUIS PARK, MN 55416	0	0.	0.	0.
TINA WELSH	BOARD MEMBER			
DULUTH, MN 55802	0	0.	0.	0.
DENNIS MONTGOMERY	BOARD MEMBER			
BEMIDJI, MN 56601-3818	0	0.	0.	0.
KAREN DIVER	CHAIR			
DULUTH, MN 55802	0	0.	0.	0.
BRAD LOHRBACH	BOARD MEMBER			
ROCHESTER, MN 55902	0	0.	0.	0.
MARY HARTNETT	SECRETARY			
ST PAUL, MN 55155	0	0.	0.	0.
TOTALS INCLUDED ON FORM 990, PART V		<u>76,000.</u>	<u>8,779.</u>	<u>0.</u>

FORM 990 PART VIII - RELATIONSHIP OF ACTIVITIES TO STATEMENT 7
 ACCOMPLISHMENT OF EXEMPT PURPOSES

LINE	EXPLANATION OF RELATIONSHIP OF ACTIVITIES
93A& B	FEEs FOR MEMBERSHIP SERVICES INCLUDING EDUCATION, CONFERENCES, GROUP PURCHASING AND DISCOUNTS ON PRODUCTS FOR MINNESOTA NON-PROFIT ORGANIZATIONS
93C	SALE OF REPORTS AND PUBLICATIONS
94	MEMBERS ARE NON-PROFIT ORGANIZATIONS WHO RECEIVE EDUCATION, RESEARCH, ADVOCACY, GROUP PURCHASING AND DISCOUNTS ON PURCHASES OF PRODUCTS AS PART OF THE ORGANIZATION'S CHARITABLE PROGRAMS
93D& E	COMMISSIONS, MARKETING, AND MISCELLANEOUS INCOME TO PROVIDE EDUCATION AND INFORMATION ON NON-PROFIT ORGANIZATIONS.

MINNESOTA COUNCIL FOR NONPROFITS

FORM 990
36-3501477

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

PART III, LINES a, b, c, d, e

PUBLIC POLICY

In 2001, MCN provided Minnesota's nonprofits with public policy information and advocacy training through many different venues. MCN offered 11 trainings on topics including nonprofit lobbying, lobbying using technology, media advocacy, strategic planning for public policy, and fiscal policy. MCN sponsored briefings on proposals to tax nonprofits, the budget deficit, the freeze on nonprofit grants, and health and human services budget issues. Special public policy events sponsored by MCN included Session Preview, Mid-Session Update, Nonprofit Action Day at the Capitol, and Session Wrap Up. Nonprofits were provided timely information during the legislative session via 40 legislative updates sent by fax and email and via the MCN Web site. To support its public policy efforts, MCN regularly convened a 60-member public policy cabinet and enlisted the help of three University of Minnesota interns who also gained valuable public policy experience by working with MCN's public policy staff.

MCN also supported the public policy efforts of other organizations. The public policy staff consulted on an individual basis with 35 nonprofit organizations. At 25 events sponsored by other organizations, MCN staff members spoke about public policy and advocacy for nonprofit organizations. In 2001, a public policy staff member also developed a handbook on nonprofit state and local advocacy that was published in January 2002.

MEMBER SERVICES

In 2001, the Minnesota Council of Nonprofits had 1,115 nonprofit members and 76 associate members. Members receive many benefits including reduced rates for MCN publications and workshops, members-only newsletters, and the ability to participate in cost-saving programs.

EDUCATION

A total of 3,000 nonprofit leaders attended at least one of 35 workshops and briefings sponsored or co-sponsored by MCN. These events, held throughout Minnesota, addressed management, technology, fundraising, and public policy issues. Also, 700 people participated in MCN's 2001 Annual Conference, "Growing Nonprofits for a Growing and Changing State," held on October 11, 2001.

In 2001, three new educational resources were published: *2002 Minnesota Grants Directory*, a directory of 73 Minnesota community foundations, corporate giving programs, and private foundations; *2001 National Foundations Factbook*, a directory containing information on the

grantmaking priorities and procedures of 50 of the U S A 's largest foundations, and *Handbook for Starting a Successful Nonprofit*, a step-by-step guide to the process of establishing a nonprofit organization in Minnesota

MCN continued to develop its Web site, www.mcn.org, offering even more information to the Internet audience MCN's Web site received five million hits in 2001

RESEARCH

In 2001, MCN updated its annual *Minnesota Nonprofit Economy Report*, a financial overview of Minnesota's nonprofit organizations and nonprofit employees The *Report* uses data from the Minnesota Department of Economic Security and the Office of the Minnesota Attorney General to analyze growth trends regarding the number of nonprofit organizations and nonprofit employees, average wages for nonprofit employees, and nonprofit revenue sources and expenditures MCN jointly published the *Latino Nonprofit Economy Report*, an analysis of nonprofit organizations serving Minnesota's Latino community, with Hispanic Advocacy and Community Empowerment through Research (HACER)

The Minnesota Budget Project, an initiative of the Minnesota Council of Nonprofits, conducts research on Minnesota's budget and tax decisions In 2001, the Minnesota Budget Project's major reports included *Unbalanced Priorities: Dividing Up the Surplus in the 2001 Legislative Session*, an analysis of the budget priorities of the Minnesota Governor, House of Representatives, and Senate with a comparison to their final budget compromise, and *The State of Working Minnesota 2001*, an analysis of trends in wages, employment, and work hour increases and a discussion about whether jobs in Minnesota are sufficient to support a family and the regional employment disparities in Minnesota The Minnesota Budget Project also released smaller analytical pieces on taxes, government support programs, and legislative tax and budget proposals, emphasizing their impact on tax fairness and vulnerable populations

ADVOCACY

In 2001, the Minnesota Council of Nonprofits (MCN) developed and implemented two major advocacy campaigns First, MCN led efforts to oppose taxation of Minnesota's nonprofit organizations In October 2000, the Minnesota Department of Revenue announced a proposal to impose new sales taxes and local option property taxes on purely public charities In response, MCN initiated and coordinated the "Don't Tax Nonprofits" campaign As part of this campaign, MCN convened an ad hoc Nonprofits Coalition, conducted research on the impact of the proposals, held briefings and strategy meetings for all interested nonprofits, issued legislative alerts, posted information at the MCN website to inform and mobilize nonprofits, engaged in media advocacy, met with elected officials and the administration, and organized and provided testimony at legislative hearings The campaign helped win support from elected officials for the tax-exempt status of nonprofit organizations and convinced the Department of Revenue to withdraw its proposal midway through the 2001 legislative session

In November 2001, when a state budget deficit was anticipated, Minnesota's Governor and Department of Finance ordered a freeze on all state grants to nonprofits MCN immediately

launched an advocacy campaign that included research, education, organizing, media advocacy, and lobbying to gather support for the partnership between government and nonprofits and to reinstate state funding for nonprofit programs and services. In 2001, this campaign's activities included (1) compiling and publishing information about the grants, organizations affected by the freeze, and the impact of the freeze and other possible cuts, (2) sending alerts to nonprofits who, in many cases, had not been notified about the freeze by government agencies, (3) conducting briefings for nonprofits, (4) developing materials to make the case for government funding of nonprofit services, (5) posting updated information on the MCN Web site, (6) holding pre-session meetings with elected officials, and (7) planning a media advocacy campaign to coincide with the 2002 legislative session (The freeze on grants became a proposal to cut grants and thus was a key focus of the 2002 legislative debate. However, in the end, funding was restored to almost all Minnesota nonprofits.)

Other MCN advocacy initiatives in 2001 included supporting an increase in the charitable donation deduction for nonitemizing taxpayers and introducing the idea of a Nonprofit Development Fund.

MINNESOTA COUNCIL FOR NONPROFITS

FORM 990
36-3501477

PART IV, LINE 57a,b

LAND, BUILDING, AND EQUIPMENT

	Cost	Prior Accumulated Depreciation	Depreciation Expense	Accumulated Depreciation	Net Book Value
EQUIPMENT	88,935	32,637	7,691	40,328	48,607
FURNISHINGS	75,381	1,290	13,854	15,144	60,237
	<u>\$ 164,316</u>	<u>\$ 33,927</u>	<u>\$ 21,545</u>	<u>\$ 55,472</u>	<u>\$ 108,844</u>

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return

- If you are filing for an **Automatic 3-Month Extension**, complete only Part I and check this box
- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only Part II (on page 2 of this form)

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

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

Note Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only
 All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041

Type or print	Name of Exempt Organization	Employer identification number
	MINNESOTA COUNCIL OF NONPROFITS	36-3501477
File by the due date for filing your return See instructions	Number, street, and room or suite no. If a P O box, see instructions	
	2314 UNIVERSITY AVENUE WEST, NO. 20	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions	
	SAINT PAUL, MN 55114	

Check type of return to be filed (file a separate application for each return)

- | | | |
|--|--|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990 T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990 BL | <input type="checkbox"/> Form 990 T (sec 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990 EZ | <input type="checkbox"/> Form 990 T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990 PF | <input type="checkbox"/> Form 1041 A | <input type="checkbox"/> Form 8870 |

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

1 I request an automatic 3 month (6-month, for 990-T corporation) extension of time until AUGUST 15, 2002 to file the exempt organization return for the organization named above. The extension is for the organization's return for calendar year 2001 or tax year beginning _____, and ending _____

2 If this tax year is for less than 12 months, check reason Initial return Final return Change in accounting period

3a If this application is for Form 990 BL, 990 PF, 990 T, 4720, or 6J69, enter the tentative tax, less any nonrefundable credits. See instructions \$ _____

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ _____

c **Balance Due** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ N/A

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶  Title ▶ CPA Date ▶ 5-10-02