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Form 990

Return of Organization Exempt From Income Tax

OMB No 1545-0047

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

2006

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 2006 calendar year, or tax year beginning 01-01-2006 and ending 12-31-2006

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

Please use IRS label or print or type. See Specific Instructions.

C Name of organization: Minnesota Council of Nonprofits Inc. Number and street (or P O box if mail is not delivered to street address): 2314 University Avenue West No 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)

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? H(b) If "Yes" enter number of affiliates. H(c) Are all affiliates included? H(d) Is this a separate return filed by an organization covered by a group ruling?

G Web site: wwwmncnorg

J Organization type (check only one): 501(c)(3)

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than 25,000

I Group Exemption Number

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

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12: 2,730,480

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

Table with columns for Revenue, Expenses, and Net Assets. Rows include Contributions, Program service revenue, Membership dues, Interest on savings, Dividends, Gross rents, Other investment income, Gross amount from sales of assets, Special events and activities, Gross sales of inventory, Other revenue, Total revenue, Program services, Management and general, Fundraising, Payments to affiliates, Total expenses, Excess or (deficit) for the year, Net assets or fund balances at beginning of year, Other changes in net assets or fund balances, Net assets or fund balances at end of year.

**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.)

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
<b>22a</b> Grants paid from donor advised funds (attach Schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	<b>22a</b>				
<b>22b</b> Other grants and allocations (attach schedule) (cash \$ <u>153,573</u> noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	<b>22b</b>	153,573	153,573		
<b>23</b> Specific assistance to individuals (attach schedule)	<b>23</b>				
<b>24</b> Benefits paid to or for members (attach schedule)	<b>24</b>				
<b>25a</b> Compensation of current officers, directors, key employees etc Listed in Part V - A (attach schedule)	<b>25a</b>	202,737	121,642	58,503	22,592
<b>b</b> Compensation of former officers, directors, key employees etc listed in Part V - B (attach schedule)	<b>25b</b>	98,354	81,634	9,836	6,884
<b>c</b> Compensation and other distributions not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)	<b>25c</b>				
<b>26</b> Salaries and wages of employees not included on lines 25a, b and c	<b>26</b>	659,456	561,921	74,355	23,180
<b>27</b> Pension plan contributions not included on lines 25a, b and c	<b>27</b>	26,007	20,806	3,901	1,300
<b>28</b> Employee benefits not included on lines 25a - 27	<b>28</b>	102,229	81,784	15,334	5,111
<b>29</b> Payroll taxes	<b>29</b>	68,107	54,486	10,216	3,405
<b>30</b> Professional fundraising fees	<b>30</b>				
<b>31</b> Accounting fees	<b>31</b>	7,193		7,193	
<b>32</b> Legal fees	<b>32</b>				
<b>33</b> Supplies	<b>33</b>	18,513	15,920	1,918	675
<b>34</b> Telephone	<b>34</b>	9,850	8,254	1,171	425
<b>35</b> Postage and shipping	<b>35</b>	51,276	45,261	3,474	2,541
<b>36</b> Occupancy	<b>36</b>	100,050	79,760	14,887	5,403
<b>37</b> Equipment rental and maintenance	<b>37</b>				
<b>38</b> Printing and publications	<b>38</b>	98,454	89,097	4,105	5,252
<b>39</b> Travel	<b>39</b>	52,993	48,736	1,990	2,267
<b>40</b> Conferences, conventions, and meetings	<b>40</b>	26,611	25,211	1,027	373
<b>41</b> Interest	<b>41</b>	563		563	
<b>42</b> Depreciation, depletion, etc (attach schedule)	<b>42</b>	18,684	14,895	2,780	1,009
<b>43</b> Other expenses not covered above (itemize)					
<b>a</b> See Additional Data Table	<b>43a</b>				
<b>b</b>	<b>43b</b>				
<b>c</b>	<b>43c</b>				
<b>d</b>	<b>43d</b>				
<b>e</b>	<b>43e</b>				
<b>f</b>	<b>43f</b>				
<b>g</b>	<b>43g</b>				
<b>44</b> <b>Total functional expenses.</b> Add lines 22a through 43g (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	<b>44</b>	2,287,271	1,932,962	234,995	119,314

**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.

<p>What is the organization's primary exempt purpose? <b>▶</b> The Minnesota Council of Nonprofits (MCN) provides management improvement and legal compliance information and training to individual charitable organizations and the nonprofit sector, and researches and provides testimony on legislation affecting the work of charitable organizations.</p> <p>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.)</p>	<p><b>Program Service Expenses</b> (Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others.)</p>
<p><b>a</b> See Additional Data Table</p> <p>(Grants and allocations \$ ) If this amount includes foreign grants, check here <b>▶</b> <input type="checkbox"/></p>	
<p><b>b</b></p> <p>(Grants and allocations \$ ) If this amount includes foreign grants, check here <b>▶</b> <input type="checkbox"/></p>	
<p><b>c</b></p> <p>(Grants and allocations \$ ) If this amount includes foreign grants, check here <b>▶</b> <input type="checkbox"/></p>	
<p><b>d</b></p> <p>(Grants and allocations \$ ) If this amount includes foreign grants, check here <b>▶</b> <input type="checkbox"/></p>	
<p><b>e</b> Other program services (attach schedule) (Grants and allocations \$ ) If this amount includes foreign grants, check here <b>▶</b> <input type="checkbox"/></p>	
<p><b>f Total of Program Service Expenses</b> (should equal line 44, column (B), Program services) . . . . <b>▶</b></p>	<p>1,932,962</p>

**Part IV Balance Sheets (See the instructions.)**

**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		<b>(A)</b>		<b>(B)</b>		
		Beginning of year		End of year		
Assets	<b>45</b> Cash—non-interest-bearing . . . . .		3,126	<b>45</b>		
	<b>46</b> Savings and temporary cash investments . . . . .		309,745	<b>46</b>	707,678	
	<b>47a</b> Accounts receivable . . . . .	<b>47a</b>	18,258			
	<b>b</b> Less allowance for doubtful accounts . . . . .	<b>47b</b>		16,948	<b>47c</b>	18,258
	<b>48a</b> Pledges receivable . . . . .	<b>48a</b>	647,000			
	<b>b</b> Less allowance for doubtful accounts . . . . .	<b>48b</b>		509,750	<b>48c</b>	647,000
	<b>49</b> Grants receivable . . . . .				<b>49</b>	
	<b>50a</b> Receivables from current and former officers, directors, trustees, and key employees (attach schedule) . . . . .				<b>50a</b>	
	<b>b</b> Receivables from other disqualified persons (as defined under section 4958(c)(3)(B) (attach schedule) . . . . .				<b>50b</b>	
	<b>51a</b> Other notes and loans receivable (attach schedule) . . . . .	<b>51a</b>				
	<b>b</b> Less allowance for doubtful accounts . . . . .	<b>51b</b>			<b>51c</b>	
	<b>52</b> Inventories for sale or use . . . . .		23,045	<b>52</b>		12,586
	<b>53</b> Prepaid expenses and deferred charges . . . . .		28,284	<b>53</b>		31,745
	<b>54a</b> Investments—publicly-traded securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV				<b>54a</b>	
	<b>b</b> Investments—other securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV				<b>54b</b>	
<b>55a</b> Investments—land, buildings, and equipment basis . . . . .	<b>55a</b>					
<b>b</b> Less accumulated depreciation (attach schedule) . . . . .	<b>55b</b>			<b>55c</b>		
<b>56</b> Investments—other (attach schedule) . . . . .				<b>56</b>		
<b>57a</b> Land, buildings, and equipment basis . . . . .	<b>57a</b>	212,660				
<b>b</b> Less accumulated depreciation (attach schedule) . . . . .	<b>57b</b>	184,357	41,611	<b>57c</b>	28,303	
<b>58</b> Other assets, including program-related investments (describe <input type="checkbox"/> _____ )				<b>58</b>		
<b>59 Total assets</b> (must equal line 74) Add lines 45 through 58 . . . . .		932,509	<b>59</b>		1,445,570	
Liabilities	<b>60</b> Accounts payable and accrued expenses . . . . .		63,614	<b>60</b>	73,753	
	<b>61</b> Grants payable . . . . .			<b>61</b>		
	<b>62</b> Deferred revenue . . . . .		12,200	<b>62</b>	12,050	
	<b>63</b> Loans from officers, directors, trustees, and key employees (attach schedule) . . . . .			<b>63</b>		
	<b>64a</b> Tax-exempt bond liabilities (attach schedule) . . . . .				<b>64a</b>	
	<b>b</b> Mortgages and other notes payable (attach schedule) . . . . .		9,471	<b>64b</b>		5,258
	<b>65</b> Other liabilities (describe <input type="checkbox"/> _____ )			<b>65</b>		62,207
<b>66 Total liabilities</b> Add lines 60 through 65 . . . . .		85,285	<b>66</b>		153,268	
Net Assets or Fund Balances	<b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74</b>					
	<b>67</b> Unrestricted . . . . .		-15,359	<b>67</b>	52,784	
	<b>68</b> Temporarily restricted . . . . .		862,583	<b>68</b>	1,239,518	
	<b>69</b> Permanently restricted . . . . .			<b>69</b>		
	<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74</b>					
	<b>70</b> Capital stock, trust principal, or current funds . . . . .			<b>70</b>		
	<b>71</b> Paid-in or capital surplus, or land, building, and equipment fund . . . . .			<b>71</b>		
	<b>72</b> Retained earnings, endowment, accumulated income, or other funds . . . . .			<b>72</b>		
	<b>73 Total net assets or fund balances</b> Add lines 67 through 69 <b>or</b> lines 70 through 72 (Column (A) <b>must</b> equal line 19 and column (B) <b>must</b> equal line 21) . . . . .		847,224	<b>73</b>		1,292,302
	<b>74 Total liabilities and net assets / fund balances</b> Add lines 66 and 73 . . . . .		932,509	<b>74</b>		1,445,570

**Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return** (See the instructions.)

<b>a</b>	Total revenue, gains, and other support per audited financial statements . . . . .	<b>a</b>	2,739,349
<b>b</b>	Amounts included on line <b>a</b> but not on Part I, line 12		
<b>1</b>	Net unrealized gains on investments . . . . .	<b>b1</b>	1,869
<b>2</b>	Donated services and use of facilities . . . . .	<b>b2</b>	
<b>3</b>	Recoveries of prior year grants . . . . .	<b>b3</b>	
<b>4</b>	Other (specify) _____	<b>b4</b>	7,000
	Add lines <b>b1</b> through <b>b4</b> . . . . .	<b>b</b>	8,869
<b>c</b>	Subtract line <b>b</b> from line <b>a</b> . . . . .	<b>c</b>	2,730,480
<b>d</b>	Amounts included on Part I, line 12, but not on line <b>a</b> :		
<b>1</b>	Investment expenses not included on Part I, line 6b . . . . .	<b>d1</b>	
<b>2</b>	Other (specify) _____	<b>d2</b>	
	Add lines <b>d1</b> and <b>d2</b> . . . . .	<b>d</b>	8,869
<b>e</b>	<b>Total revenue</b> (Part I, line 12) Add lines <b>c</b> and <b>d</b> . . . . .	<b>e</b>	2,730,480

**Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

<b>a</b>	Total expenses and losses per audited financial statements . . . . .	<b>a</b>	2,294,271
<b>b</b>	Amounts included on line <b>a</b> but not on Part I, line 17		
<b>1</b>	Donated services and use of facilities . . . . .	<b>b1</b>	
<b>2</b>	Prior year adjustments reported on Part I, line 20 . . . . .	<b>b2</b>	
<b>3</b>	Losses reported on Part I, line 20 . . . . .	<b>b3</b>	
<b>4</b>	Other (specify) _____	<b>b4</b>	7,000
	Add lines <b>b1</b> through <b>b4</b> . . . . .	<b>b</b>	7,000
<b>c</b>	Subtract line <b>b</b> from line <b>a</b> . . . . .	<b>c</b>	2,287,271
<b>d</b>	Amounts included on Part I, line 17, but not on line <b>a</b> :		
<b>1</b>	Investment expenses not included on Part I, line 6b . . . . .	<b>d1</b>	
<b>2</b>	Other (specify) _____	<b>d2</b>	
	Add lines <b>d1</b> and <b>d2</b> . . . . .	<b>d</b>	
<b>e</b>	<b>Total expenses</b> (Part I, line 17) Add lines <b>c</b> and <b>d</b> . . . . .	<b>e</b>	2,287,271

**Part V-A Current Officers, Directors, Trustees, and Key Employees** (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See 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 & deferred compensation plans	(E) Expense account and other allowances
See Additional Data Table				

<b>Part V-A Current Officers, Directors, Trustees, and Key Employees</b> <i>(continued)</i>	<b>Yes</b>	<b>No</b>
<b>75a</b> Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings . . . . . <u>19</u>		
<b>b</b> Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s) .	<b>75b</b>	No
<b>c</b> Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization" . . . . . If "Yes," attach a statement that includes the information described in the instructions	<b>75c</b>	No
<b>d</b> Does the organization have a written conflict of interest policy? . . . . .	<b>75d</b>	Yes

**Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits** (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	(B) Loans and Advances	(C) Compensation (If not paid enter -0- )	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
Marcia AvnerBd 87-90Staff96-now 2314 University Ave W 20 Saint Paul, MN 55114	0	83,296	15,058	0

<b>Part VI Other Information</b> <i>(See the instructions.)</i>	<b>Yes</b>	<b>No</b>
<b>76</b> Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change . . . . .	<b>76</b>	No
<b>77</b> 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	<b>77</b>	No
<b>78a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? . . .	<b>78a</b>	Yes
<b>b</b> If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year? . . . . .	<b>78b</b>	Yes
<b>79</b> Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement . . . . .	<b>79</b>	No
<b>80a</b> 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? . . . . .	<b>80a</b>	No
<b>b</b> If "Yes," enter the name of the organization <input type="checkbox"/> and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
<b>81a</b> Enter direct or indirect political expenditures (See line 81 instructions) . . . . <u>81a</u>		
<b>b</b> Did the organization file <b>Form 1120-POL</b> for this year? . . . . .	<b>81b</b>	No

Part VI Other Information (continued)

Form 990 (2006) Part VI Other Information (continued)
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?
82b If "Yes," you may indicate the value of these items here
83a Did the organization comply with the public inspection requirements for returns and exemption applications?
83b 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?
84b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?
85 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?
85b Did the organization make only in-house lobbying expenditures of \$2,000 or less?
85c Dues assessments, and similar amounts from members
85d Section 162(e) lobbying and political expenditures
85e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices
85f Taxable amount of lobbying and political expenditures (line 85d less 85e)
85g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?
85h 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?
86 501(c)(7) orgs. Enter a Initiation fees and capital contributions included on line 12
86b Gross receipts, included on line 12, for public use of club facilities
87 501(c)(12) orgs. Enter a Gross income from members or shareholders
87b Gross income from other sources
88a 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?
88b At any time during the year, did the organization directly or indirectly own a controlled entity within the meaning of section 512(b)(13)?
89a 501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911, section 4912, and section 4955
89b 501(c)(3) and 501(c)(4) orgs. 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?
89c Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958
89d Enter Amount of tax on line 89c, above, reimbursed by the organization
89e All organizations. At any time during the tax year was the organization a party to a prohibited tax shelter transaction?
89f All organizations. Did the organization acquire direct or indirect interest in any applicable insurance contract?
89g For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?
90a List the states with which a copy of this return is filed
90b Number of employees employed in the pay period that includes March 12, 2006
91a The books are in care of
91b 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?



Part VI Other Information (continued)

Yes No

c At any time during the calendar year, did the organization maintain an office outside of the United States?

91c Yes No

If "Yes," enter the name of the foreign country

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here

and enter the amount of tax-exempt interest received or accrued during the tax year

92

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

Note: Enter gross amounts unless otherwise indicated.

Table with 5 columns: (A) Business code, (B) Amount, (C) Exclusion code, (D) Amount, (E) Related or exempt function income. Rows include Program service revenue (Workshops, Annual meeting income, Publications, Commissions/marketing, Consulting, Medicare/Medicaid payments, Fees and contracts from government agencies), Membership dues and assessments, Interest on savings and temporary cash investments, Dividends and interest from securities, Net rental income or (loss) from real estate (debt-financed property, non debt-financed property), Net rental income or (loss) from personal property, Other investment income, Gain or (loss) from sales of assets other than inventory, Net income or (loss) from special events, Gross profit or (loss) from sales of inventory, Other revenue (Advertising income, Sponsorships), and Subtotal.

Note: Line 105 plus line 1e, 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.)

Table with 2 columns: 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). Includes a row for 'See Additional Data Table'.

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

Table with 5 columns: (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).

**Part XI** **Information Regarding Transfers To and From Controlled Entities** *Complete only if the organization is a controlling organization as defined in section 512(b)(13)*

<b>106</b> Did the reporting organization <b>make</b> any transfers <b>to</b> a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity	<b>Yes</b>	<b>No</b>

	(A) Name and address of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
<b>Totals</b>				

<b>107</b> Did the reporting organization <b>receive</b> any transfers <b>from</b> a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity	<b>Yes</b>	<b>No</b>

	(A) Name and address of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
<b>Totals</b>				

<b>108</b> Did the organization have a binding written contract in effect on August 17, 2006 covering the interests, rents, royalties and annuities described in question 107 above?	<b>Yes</b>	<b>No</b>

<b>Please Sign Here</b>	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	
	***** Signature of officer	2007-07-19 Date
	Ms Sondra Reis Associate Director Type or print name and title	

<b>Paid Preparer's Use Only</b>	Preparer's signature	Date 2007-07-19	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 Sherry D Heffeman Ltd 6650 Horseshoe Bend Drive Corcoran, MN 55340			EIN
				Phone no (763) 478-6518

**SCHEDULE A  
(Form 990 or  
990EZ)**

**Organization Exempt Under Section 501(c)(3)**

(Except Private Foundation) and Section 501(e), 501(f), 501(k),  
501(n), or 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

**2006**

Department of the  
Treasury  
Internal Revenue  
Service

Name of the organization  
Minnesota Council of Nonprofits Inc

**Employer identification number**

36-3501477

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

(See page 2 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
Steve Francisco 2314 University Ave W Saint Paul, MN 55114	Federal Policy Dir 40 00	46,903	8,765	0
Jean Fox 2314 University Ave W Saint Paul, MN 55114	Deputy Public Policy 40 00	55,448	13,067	0
Nan Madden 2314 University Ave W Saint Paul, MN 55114	MN Budget Project 30 00	44,446	8,912	0
Stephanie Haddad 2314 University Ave W Saint Paul, MN 55114	Program Director 40 00	55,448	6,595	0
Leslie Nitabach 2314 University Ave W Saint Paul, MN 55114	Develop & Membership 40 00	46,844	6,144	0
Total number of other employees paid over \$50,000 ▶	2			

**Part II-A 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
Center for Nonprofits and Voting 30 Winter St 10th Floor Boston, MA 02108	NVEN Research and program development	91,500
Total number of others receiving over \$50,000 for professional services ▶		

**Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services**

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None". See page 2 for instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		
Total number of other contractors receiving over \$50,000 for other services ▶		

**Part III Statements About Activities** (See page 2 of the instructions.)**Yes No**

<b>1</b> During the year, has the organization attempted to influence national, state, or local legislation, include 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 <b>▶</b> \$ <u>105,337</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	<b>1</b>	Yes	
<b>2</b> 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.) <b>a</b> Sale, exchange, or leasing property?	<b>2a</b>		No
<b>b</b> Lending of money or other extension of credit?	<b>2b</b>		No
<b>c</b> Furnishing of goods, services, or facilities?	<b>2c</b>		No
<b>d</b> Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	<b>2d</b>	Yes	
<b>e</b> Transfer of any part of its income or assets?	<b>2e</b>		No
<b>3a</b> Did the organization make grants for scholarships, fellowships, student loans, etc ? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments )	<b>3a</b>		No
<b>b</b> Did the organization have a section 403(b) annuity plan for its employees?	<b>3b</b>	Yes	
<b>c</b> Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment , historic land areas or structures? If "Yes" attach a detailed statement	<b>3c</b>		No
<b>d</b> Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	<b>3d</b>		No
<b>4a</b> Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g If "No," complete lines 4f and 4g	<b>4a</b>		No
<b>b</b> Did the organization make any taxable distributions under section 4966?	<b>4b</b>		No
<b>c</b> Did the organization make a distribution to a donor, donor advisor, or related person?	<b>4c</b>		No
<b>d</b> Enter the total number of donor advised funds owned at the end of the tax year <b>▶</b> <u>0</u>			
<b>e</b> Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year <b>▶</b> <u>0</u>			
<b>f</b> Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts <b>▶</b> <u>0</u>			
<b>g</b> Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year <b>▶</b> <u>0</u>			

**Part IV Reason for Non-Private Foundation Status** (See pages 4 through 7 of the instructions.)

I certify that 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 otherwise meets the requirements of section 509(a)(3) Check the box that describes the type of supporting organization

Type I     Type II     Type III - Functionally Integrated     Type III - Other

**Provide the following information about the supported organizations. (see page 7 of the instructions.)**

(a) Name(s) of supported organization(s)	(b) Employer identification number	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support?
			Yes	No	
<b>Total</b>					

- 14**  An organization organized and operated to test for public safety Section 509(a)(4) (See page 7 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) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
<b>15</b> Gifts, grants, and contributions received (Do not include unusual grants See line 28 )	881,458	782,334	423,755	877,213	2,964,760
<b>16</b> Membership fees received	338,920	255,386	276,306	242,783	1,113,395
<b>17</b> 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	552,138	438,961	403,727	298,556	1,693,382
<b>18</b> 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	1,705	2,219	4,839	7,611	16,374
<b>19</b> Net income from unrelated business activities not included in line 18					0
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
<b>21</b> 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					0
<b>22</b> Other income Attach a schedule Do not include gain or (loss) from sale of capital assets					0
<b>23</b> Total of lines 15 through 22	1,774,221	1,478,900	1,108,627	1,426,163	5,787,911
<b>24</b> Line 23 minus line 17	1,222,083	1,039,939	704,900	1,127,607	4,094,529
<b>25</b> Enter 1% of line 23	17,742	14,789	11,086	14,262	
<b>26 Organizations described on lines 10 or 11:</b> <b>a</b> Enter 2% of amount in column (e), line 24					81,891
<b>b</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 2002 through 2005 exceeded the amount shown in line 26a <b>Do not file this list with your return.</b> Enter the total of all these excess amounts					1,023,731
<b>c</b> Total support for section 509(a)(1) test Enter line 24, column (e)					4,094,529
<b>d</b> Add Amounts from column (e) for lines					
18 16,374 19 0					
22 26 b 1,023,731					
<b>e</b> Public support (line 26c minus line 26d total)					3,054,424
<b>f</b> Public support percentage (line 26e (numerator) divided by line 26c (denominator))					74.59 77 %
<b>27 Organizations described on line 12:</b> <b>a</b> 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 " <b>Do not file this list with your return.</b> Enter the sum of such amounts for each year (2005) _____ (2004) _____ (2003) _____ (2002) _____					
<b>b</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 <b>larger</b> of <b>(1)</b> the amount on line 25 for the year or <b>(2)</b> \$5,000 (Include in the list organizations described in lines 5 through 11b, as well as individuals ) <b>Do not file this list with your return.</b> After computing the difference between the amount received and the larger amount described in <b>(1)</b> or <b>(2)</b> , enter the sum of these differences (the excess amounts) for each year (2005) _____ (2004) _____ (2003) _____ (2002) _____					
<b>c</b> Add Amounts from column (e) for lines					
15 16 _____					
17 20 _____					
21 _____					
<b>d</b> Add Line 27a total _____ and line 27b total _____					
<b>e</b> Public support (line 27c total minus line 27d total)					
<b>f</b> Total support for section 509(a)(2) test Enter amount from line 23, column (e)					
<b>g</b> Public support percentage (line 27e (numerator) divided by line 27f (denominator))					
<b>h</b> Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					
<b>28 Unusual Grants:</b> For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, 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 <b>Do not file this list with your return.</b> 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
<b>29</b> 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?	<b>29</b>	
<b>30</b> 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?	<b>30</b>	
<b>31</b> 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 )   	<b>31</b>	
<b>32</b> Does the organization maintain the following	<b>32a</b>	
<b>a</b> Records indicating the racial composition of the student body, faculty, and administrative staff?	<b>32b</b>	
<b>b</b> Records documenting that scholarships and other financial assistance are awarded on racially nondiscriminatory basis?	<b>32c</b>	
<b>c</b> Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	<b>32d</b>	
<b>d</b> 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 )  		
<b>33</b> Does the organization discriminate by race in any way with respect to	<b>33a</b>	
<b>a</b> Students' rights or privileges?	<b>33b</b>	
<b>b</b> Admissions policies?	<b>33c</b>	
<b>c</b> Employment of faculty or administrative staff?	<b>33d</b>	
<b>d</b> Scholarships or other financial assistance?	<b>33e</b>	
<b>e</b> Educational policies?	<b>33f</b>	
<b>f</b> Use of facilities?	<b>33g</b>	
<b>g</b> Athletic programs?	<b>33h</b>	
<b>h</b> Other extracurricular activities?  If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement )  		
<b>34a</b> Does the organization receive any financial aid or assistance from a governmental agency?	<b>34a</b>	
<b>b</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	<b>34b</b>	
<b>35</b> 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	<b>35</b>	

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See page 10 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

<b>Limits on Lobbying Expenditures</b>		<b>(a)</b> Affiliated group totals	<b>(b)</b> To be completed for all electing organizations
(The term "expenditures" means amounts paid or incurred )			
<b>36</b>	Total lobbying expenditures to influence public opinion (grassroots lobbying)	<b>36</b>	52,701
<b>37</b>	Total lobbying expenditures to influence a legislative body (direct lobbying)	<b>37</b>	52,636
<b>38</b>	Total lobbying expenditures (add lines 36 and 37)	<b>38</b>	105,337
<b>39</b>	Other exempt purpose expenditures	<b>39</b>	2,188,934
<b>40</b>	Total exempt purpose expenditures (add lines 38 and 39)	<b>40</b>	2,294,271
<b>41</b>	Lobbying nontaxable amount Enter the amount from the following table— <b>If the amount on line 40 is—</b> <b>The lobbying nontaxable amount is—</b> 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	<b>41</b>	264,714
<b>42</b>	Grassroots nontaxable amount (enter 25% of line 41)	<b>42</b>	66,179
<b>43</b>	Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	<b>43</b>	0
<b>44</b>	Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	<b>44</b>	0
<b>Caution:</b> 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 13 of the instructions )

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
<b>45</b> Lobbying nontaxable amount	264,714	231,741	235,106	218,758	950,319
<b>46</b> Lobbying ceiling amount (150% of line 45(e))					1,425,479
<b>47</b> Total lobbying expenditures	105,337	85,863	69,147	128,030	388,377
<b>48</b> Grassroots nontaxable amount	66,179	57,935	58,777	54,690	237,581
<b>49</b> Grassroots ceiling amount (150% of line 48(e))					356,372
<b>50</b> Grassroots lobbying expenditures	52,701	41,340	34,015	31,706	159,762

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A) (See page 13 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
<b>a</b> Volunteers			
<b>b</b> Paid staff or management (Include compensation in expenses reported on lines c through h.)			
<b>c</b> Media advertisements			
<b>d</b> Mailings to members, legislators, or the public			
<b>e</b> Publications, or published or broadcast statements			
<b>f</b> Grants to other organizations for lobbying purposes			
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body			
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
<b>i</b> 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





## TY 2006 Cash Grants Paid Schedule

**Name:** Minnesota Council of Nonprofits Inc

**EIN:** 36-3501477

Class of Activity	Recipient's name	Address	Amount	Relationship
Minnesota Participation Project	38 grants-1500 or less to 501(c)(3) organizations	2314 University Avenue West Saint Paul, MN 55114	13,573	Members
Mission Awards	Children's Dental Services	636 Broadway St NE Minneapolis, MN 55413	250	Members
Mission Awards	Eureka Recycling	2828 Kennedy St ne Minneapolis, MN 55413	250	Members
Mission Awards	aMaze	PO Box 17417 Minneapolis, MN 55417	500	Members
Nonprofit Voter Engagement Network	Democracy Works	44 Capital Ave 102 Hartford, CT 06106	2,500	
Nonprofit Voter Engagement Network	Coalition On Homelessness and Housing in Ohio	175 S 3rd St 250 Columbus, OH 43215	99,000	
Nonprofit Voter Engagement Network	New Mexico Community Foundation	343 East Alameda Santa Fe, NM 87501	20,000	None
Nonprofit Voter Engagement Network	Colorado Nonprofit Association	455 Sherman Street 107 Denver, CO 80203	2,500	

<b>Class of Activity</b>	<b>Recipient's name</b>	<b>Address</b>	<b>Amount</b>	<b>Relationship</b>
Nonprofit Voter Engagement Network	Michigan Nonprofit Association	1048 Pierpont 3 Lansing, MI 48911	10,000	
Minnesota Participation Project	Joint Religious Legislative Coalition	122 West Franklin Avenue Suite 315 Minneapolis, MN 55404	5,000	

**TY 2006 Depreciation and Depletion Schedule****Name:** Minnesota Council of Nonprofits Inc**EIN:** 36-3501477

<b>Asset</b>	<b>Amount</b>
Equipment	1,782
Leasehold improvements	618
Telephone systems and computers	3,054
Dell computer	430
Dell computer	397
Portable Projector	608
Pitney Bowes	116
Dell computer	402
Furniture	1,631
Software	257
Canon	180
Computer-Dell	385
Computer-Dell	361
Computer-Dell	361
Laptop-Dell	520

<b>Asset</b>	<b>Amount</b>
IT backup system	6,394
Laserjet & envelope feeder	472
Hitachi LCD projector	359
Dell Latitude desktop computer	206
2 intern workstations	151

**TY 2006 Land etc. Schedule**

**Name:** Minnesota Council of Nonprofits Inc

**EIN:** 36-3501477

<b>Category/Item</b>	<b>Cost/Other Basis</b>	<b>Accumulated Depreciation</b>	<b>Book Value</b>
Furniture	104,295	104,295	0
Equipment	31,106	31,106	0
Leasehold improvements	3,500	2,986	514
Telephone systems and computers	15,278	13,897	1,381
Dell computer	1,719	1,684	35
Dell computer	1,586	1,554	32
Portable Projector	3,039	2,381	658
Pitney Bowes	579	444	135
Dell computer	1,607	1,507	100
Furniture	8,157	5,981	2,176
Software	1,540	1,540	0
Canon	900	555	345
Computer-Dell	1,541	995	546
Computer-Dell	1,446	903	543
Computer-Dell	1,446	903	543

<b>Category /Item</b>	<b>Cost/Other Basis</b>	<b>Accumulated Depreciation</b>	<b>Book Value</b>
Laptop-Dell	2,081	1,170	911
IT backup system	25,575	11,189	14,386
Laserjet & envelope feeder	1,889	551	1,338
Hitachi LCD projector	1,914	359	1,555
Dell Latitude desktop computer	1,648	206	1,442
2 intern workstations	1,814	151	1,663

## TY 2006 Mortgages and Notes Payable Schedule

**Name:** Minnesota Council of Nonprofits Inc

**EIN:** 36-3501477

**Total Mortgage Amount:** 0

<b>Item No.</b>	1
<b>Lender's Name</b>	Bremer Bank
<b>Lender's Title</b>	
<b>Relationship to Insider</b>	None
<b>Original Amount of Loan</b>	12800
<b>Balance Due</b>	5258
<b>Date of Note</b>	2005-02
<b>Maturity Date</b>	2008-02
<b>Repayment Terms</b>	Monthly installment
<b>Interest Rate</b>	6.7500
<b>Security Provided by Borrower</b>	Office equipment
<b>Purpose of Loan</b>	Equipment purchase
<b>Description of Lender Consideration</b>	
<b>Consideration FMV</b>	



## TY 2006 Officer Compensation Schedule

**Name:** Minnesota Council of Nonprofits Inc

**EIN:** 36-3501477

**Jon Pratt**

	<b>Compensation</b>	<b>EE Benefit Plans</b>	<b>Expense Acct</b>
<b>Program Services</b>	62,520	12,217	
<b>Mgmt &amp; General</b>	26,050	5,091	
<b>Fundraising</b>	15,630	3,054	

**Sondra Reis**

	<b>Compensation</b>	<b>EE Benefit Plans</b>	<b>Expense Acct</b>
<b>Program Services</b>	42,385	4,520	
<b>Mgmt &amp; General</b>	24,725	2,637	
<b>Fundraising</b>	3,532	376	

## TY 2006 Officer Compensation Schedule

**Name:** Minnesota Council of Nonprofits Inc

**EIN:** 36-3501477

**Marcia AvnerBd 87-90Staff96-now**

	<b>Compensation</b>	<b>EE Benefit Plans</b>	<b>Expense Acct</b>
<b>Program Services</b>	69,136	12,498	
<b>Mgmt &amp; General</b>	8,330	1,506	
<b>Fundraising</b>	5,830	1,054	

## TY 2006 Other Changes in Net Assets Schedule

**Name:** Minnesota Council of Nonprofits Inc

**EIN:** 36-3501477

Description	Amount
Increase in market value of investments	1,869

**TY 2006 Other Expenses Included Schedule**

**Name:** Minnesota Council of Nonprofits Inc

**EIN:** 36-3501477

Description	Amount
Reclass internal allocation of funds	7,000

## TY 2006 Other Liabilities Schedule

**Name:** Minnesota Council of Nonprofits Inc

**EIN:** 36-3501477

Description	Beginning of Year Amount	End of Year Amount
Checks written in excess of deposits made		62,207

**TY 2006 Other Revenues Included Schedule**

**Name:** Minnesota Council of Nonprofits Inc

**EIN:** 36-3501477

Description	Amount
Reclass internal allocation of funds	7,000

**Form 990, Part VIII - Relationship of Activities to the Accomplishment of Exempt Purposes:**

<b>Line No.</b> ▼	<b>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).</b>
93a&	Fees from Workshops and the Annual Meeting were used to support the
b	costs of planning and hosting these events, which provide nonprofit managers and board and staff members with timely and accessible training on a wide variety of management and governance topics
93c	Revenue from publications was used to cover some of the expenses associated with planning, writing, printing, and maintaining inventory of the various directories and reports that MCN publishes to meet the information needs of Minnesota's nonprofits
93d	This revenue resulted from the agreements MCN has arranged to provide members with a wide range of cost-saving programs and services, including banking, director's and officer's liability insurance, employee benefit programs, and nonprofit management guides and periodicals
93e	Over the past year, MCN designed individualized policy training sessions to meet the specific needs of each group's board and staff members. Often these groups paid a consulting fee to MCN to cover some of the staffing and other costs related to planning and running these trainings. Also, several nonprofits relied on MCN's expertise in running and managing coalition efforts and paid consulting fees to MCN for this advice and support.



**Form 990, Part V-A - Current Officers, Directors, Trustees, and Key Employees:**

<b>(A) Name and address</b>	<b>(B) Title and average hours per week devoted to position</b>	<b>(C) Compensation (If not paid, enter -0-.)</b>	<b>(D) Contributions to employee benefit plans &amp; deferred compensation plans</b>	<b>(E) Expense account and other allowances</b>
Sondra Reis 2314 University Ave W 20 Saint Paul, MN 55114	Associate Director 40 00	70,642	7,533	0

**Form 990, Part V-A - Current Officers, Directors, Trustees, and Key Employees:**

<b>(A) Name and address</b>	<b>(B) Title and average hours per week devoted to position</b>	<b>(C) Compensation (If not paid, enter -0-.)</b>	<b>(D) Contributions to employee benefit plans &amp; deferred compensation plans</b>	<b>(E) Expense account and other allowances</b>
Nancy Kleeman 2314 University Ave W 20 Saint Paul, MN 55114	Director 1 00	0	0	0
Craig Luedemann 2314 University Ave W 20 Saint Paul, MN 55114	Director 1 00	0	0	0
David Marty 2314 University Ave W 20 Saint Paul, MN 55114	Director 1 00	0	0	0
Charles Oakes 2314 University Ave W 20 Saint Paul, MN 55114	Director 1 00	0	0	0
Keith Parker 2314 University Ave W 20 Saint Paul, MN 55114	Director 1 00	0	0	0
Karri Plowman 2314 University Ave W 20 Saint Paul, MN 55114	Director 1 00	0	0	0
Lori Stone 2314 University Ave W 20 Saint Paul, MN 55114	Director 1 00	0	0	0
Michael Thorsteinson 2314 University Ave W 20 Saint Paul, MN 55114	Director 1 00	0	0	0
Joan Wells 2314 University Ave W 20 Saint Paul, MN 55114	Director 1 00	0	0	0
Jon Pratt 2314 University Ave W 20 Saint Paul, MN 55114	Executive Director 40 00	104,200	20,362	0

**Form 990, Part V-A - Current Officers, Directors, Trustees, and Key Employees:**

<b>(A) Name and address</b>	<b>(B) Title and average hours per week devoted to position</b>	<b>(C) Compensation (If not paid, enter -0-.)</b>	<b>(D) Contributions to employee benefit plans &amp; deferred compensation plans</b>	<b>(E) Expense account and other allowances</b>
Jeff Washburne 2314 University Ave W 20 Saint Paul, MN 55114	Chair 2 00	0	0	0
Verna Hasbargen 2314 University Ave W 20 Saint Paul, MN 55114	Vice-Chair 2 00	0	0	0
Yvonne Cheung Ho 2314 University Ave W 20 Saint Paul, MN 55114	Vice-Chair 2 00	0	0	0
Peter Dross 2314 University Ave W 20 Saint Paul, MN 55114	Treasurer 2 00	0	0	0
Jeff Prauer 2314 University Ave W 20 Saint Paul, MN 55114	Secretary 2 00	0	0	0
Nancy Cross 2314 University Ave W 20 Saint Paul, MN 55114	Director 1 00	0	0	0
Candice Harshner 2314 University Ave W 20 Saint Paul, MN 55114	Director 1 00	0	0	0
Graham Hartley 2314 University Ave W 20 Saint Paul, MN 55114	Director 1 00	0	0	0
Qamar Ibrahim 2314 University Ave W 20 Saint Paul, MN 55114	Director 1 00	0	0	0
Carla Johnson 2314 University Ave W 20 Saint Paul, MN 55114	Director 1 00	0	0	0

**Form 990, Part III - Program Service Accomplishments:**

<p><b>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.)</b></p>	<p><b>Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)</b></p>
<p><b>a</b> EDUCATION MCN provides nonprofit managers, staff and board members with educational events, networking opportunities, and information and publications to strengthen charitable organizations and the sector's effectiveness, productivity and accountability In 2006, MCN provided management training and professional development opportunities on a range of topics including financial management, communications, fundraising, technology and leadership through workshops and conferences Its Annual Conference, held jointly with the Minnesota Council on Foundations in 2006, received record participation with over 1,400 people in attendance MCN also expanded its reach into Greater Minnesota by offering Webinars, allowing training opportunities without geographical barriers Through free monthly networking sessions on human resources, communications, financial management, leadership and fundraising, nonprofit leaders were able to take part in valuable peer review and exchange MCN keeps in touch with its members and other nonprofit leaders through several regular email alerts, alerting thousands of subscribed nonprofit managers to public policy action items, new budget analysis, upcoming training events and new grant opportunities In 2006, MCN released a new resource publication, the 2007 Minnesota Grants Directory, and published Nonprofit News, MCN's quarterly newsletter sent to 9,000 nonprofit managers at all organizational levels Through these efforts, MCN continued its efforts to help produce a prepared, educated and informed nonprofit sector</p> <p>(Grants and allocations \$ 1,000) If this amount includes foreign grants, check here <input type="checkbox"/></p>	<p>639,107</p>
<p><b>b</b> PUBLIC POLICY MCN builds the capacity of nonprofit leaders to be confident and competent voices on issues that impact their constituents and communities Training individual leaders and organizations is a key part of MCN's work in this area Offering Capitol Lab tours, Public Policy for the Truly Intimidated trainings and other beginner sessions as well as several workshops and issue briefings for more experienced nonprofit advocates helped to engage more organizations than ever before Alerts to subscribers via email gave updates on issues nonprofits care about MCN also expanded its Minnesota Participation Project (MPP) for the 2006 election season The MPP initiative provides a sustainable model for nonprofit nonpartisan voter engagement and mobilization Its work focuses on engaging those who are underrepresented in the electoral process by reaching them through the nonprofits they already know and trust While overall voter turnout in Minnesota dropped by 5 percent in this most recent election, in the wards and precincts where MPP and its partners focused their efforts, voter turnout increased One of MCN's primary goals is to increase the influence of the nonprofit sector and these activities have helped us come closer to that goal In 2006, MCN also used its growing expertise in nonprofit nonpartisan voter engagement as a basis for launching the Nonprofit Voter Engagement Network (NVEN), which provides advice, technical assistance and funding to similar efforts in several other states</p> <p>(Grants and allocations \$ 152,573) If this amount includes foreign grants, check here <input type="checkbox"/></p>	<p>739,511</p>
<p><b>c</b> MEMBER SERVICES In 2006 MCN's membership grew by 10.6 percent to more than 1,750 nonprofit organizations These organizations receive special member services, opportunities and cost-saving programs MCN offered members-only breakfasts with leaders in Minnesota's philanthropic communities, free resource publications for members, and discounts for members to take part in any of MCN educational programs By capitalizing on the aggregate buying power of its growing membership, MCN negotiates lower prices on many services that nonprofits need including banking, directors and officers (D&amp;O) insurance, employee benefits, office supplies and more In 2006, MCN introduced new partnerships with ReadyTalk Web and voice conferencing services and OfficeMax for discounts on office supplies</p> <p>(Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/></p>	<p>272,896</p>
<p><b>d</b> RESEARCH MCN studies sector trends and conducts nonpartisan research on federal and state budget issues impacting nonprofits In 2006 MCN produced the 2006 Minnesota Nonprofit Economy Report, showcasing the impact of Minnesota's nonprofits on the state's economy, and the Asian-Pacific Islander Nonprofits Report, analyzing this subgroup of nonprofits serving new immigrants MCN's Minnesota Budget Project provides nonprofits with nonpartisan analysis on state and federal budget issues so they can be meaningfully involved in public dialogue and deliver effective messages to policymakers It also provides a framework for thinking about fiscal issues and helps make the case for a balanced approach to the state and federal budget, tax fairness and adequate funding of government programs that help families reach self-sufficiency 2006 research by the Minnesota Budget Project included "Minnesota's Budget Surpluses May be Short-Lived" and "Sources of Revenue Considered in the 2006 Legislative Session "</p> <p>(Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/></p>	<p>153,386</p>
<p><b>e</b> ADVOCACY The ongoing focus of MCN legislative work has been to inform nonprofits of what is proposed, what it means, and how nonprofits can serve as a resource to decisionmakers as they choose priorities and funding options In 2006 this meant opposing an amendment to Minnesota's state constitution that would have prohibited marriage, civil unions and/or legal protections for same-sex couples, advocating for budget policy that allocates benefits fairly among income groups, and ensuring that nonprofits' tax status remains protected MCN's Minnesota Budget Project provided timely analysis of the state's budget decisions to nonprofits, lawmakers and citizens In addition to its state budget advocacy, the Minnesota Budget Project also worked on federal budget issues, including engaging 300 Minnesota organizations in federal advocacy efforts and building relationships with farm and sustainable agriculture groups, environmental organizations, county social service agencies and organizations involved in food and nutrition issues The engagement in federal work has also allowed MCN and the Minnesota Budget Project to deepen its relationships with traditional allies in human services and the religious community</p> <p>(Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/></p>	<p>128,062</p>

## Additional Data

**Software ID:**

**Software Version:**

**EIN:** 36-3501477

**Name:** Minnesota Council of Nonprofits Inc

### Form 990, Part II, Line 43 - Other expenses not covered above (itemize):

<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
<b>a</b> Bank and credit card fees	<b>43a</b>	17,728	17,678		50
<b>b</b> Dues and subscriptions	<b>43b</b>	9,487	7,939	1,136	412
<b>c</b> Advertising	<b>43c</b>	1,603	1,603		
<b>d</b> Workshop expense	<b>43d</b>	122,794	122,794		
<b>e</b> Annual conference costs	<b>43e</b>	136,219	136,219		
<b>f</b> Consultants	<b>43f</b>	238,773	190,893	10,383	37,497
<b>g</b> Miscellaneous	<b>43g</b>	15,834	8,459	7,153	222
<b>h</b> Equipment and software	<b>43h</b>	14,620	12,399	1,685	536
<b>i</b> Newsletter	<b>43i</b>	29,334	29,334		
<b>j</b> Insurance	<b>43j</b>	2,888		2,888	
<b>k</b> Professional fees	<b>43k</b>	3,341	2,664	497	180